

Louisiana Legislative Fiscal Office

FISCAL HIGHLIGHTS

Fiscal Year 2008-2009

Presented to:

The Honorable Joel T. Chaisson,
President of the State Senate
The Honorable Jim Tucker,
Speaker of the House of Representatives
and Honorable Members of the Louisiana Legislature

Presented by:

H. Gordon Monk, Legislative Fiscal Officer
Robert E. Hosse, LFO Staff Director

September 2008



H. Gordon Monk
Legislative Fiscal Officer

STATE OF LOUISIANA
LEGISLATIVE FISCAL OFFICE
BATON ROUGE

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TO: The Honorable Joel T. Chaisson, President of the Senate
The Honorable Jim Tucker, Speaker of the House
and Honorable Members of the Louisiana Legislature

FROM: H. Gordon Monk, Legislative Fiscal Officer
Robert E. Hosse, Staff Director

DATE: September 2008

SUBJECT: Fiscal Highlights 2008

The Legislative Fiscal Office is pleased to present you with our annual publication entitled "Fiscal Highlights." This document is a summary of fiscal actions taken during the 2008 First and Second Extraordinary Sessions and 2008 Regular Session; and a computation of historical fiscal data.

We hope you find this information useful for speeches, constituents' questions, and general information. Please contact us at (225) 342-7233 if you should have any questions or need additional information.

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OVERVIEW OF THE LEGISLATIVE FISCAL OFFICE

The Legislative Fiscal Office is an independent agency created by statute to provide factual and unbiased information to both the House of Representatives and the State Senate. The Office provides assistance to individual legislators, committees of the Legislature and the entire Legislature. Legislators' individual requests are considered confidential and will remain confidential unless otherwise requested.

The Legislative Fiscal Officer is elected by a favorable vote of a majority of the elected members of both houses of the Legislature. He may be removed by a majority vote of the elected members of both houses of the Legislature.

The Legislative Fiscal Office duties and functions include, but are not limited to, the following:

Budget Analysis - To analyze budgets prepared by the executive branch and make recommendations to the Joint Legislative Committee on the Budget, other committees and the Legislature.

Revenue Forecasting - To make continuous short and long range projections on revenues and expenditures (i.e., economic forecasting).

Committee Support - To review and evaluate requests/amendments for appropriations during the legislative sessions and make presentations to the House Appropriations Committee, the Senate Finance Committee and the Legislature. Answer the fiscal information requests of committees and individual legislators.

Fiscal Notes - To evaluate legislation for fiscal effect and provide fiscal notes detailing the effect on revenues and expenditures of such proposed legislation.

BA-7s - To review on a monthly basis requests for budget adjustments from state agencies and make recommendations to the Joint Legislative Committee on the Budget as to the merits of such requests.

Louisiana Government Performance and Accountability Act - To provide performance progress report summaries to the Joint Legislative Committee on the Budget relative to the state agencies actual performance compared to set performance standards.

Interim Emergency Board - To evaluate requests submitted to the Interim Emergency Board and to make recommendations of approval or disapproval to the Legislature of those requests.

Fiscal and Economic Impact Statements - To review on a monthly basis rules and regulations as submitted by the executive branch and to inform the Legislature and the public as to the fiscal and economic impact of such proposed rules and regulations.

**LEGISLATIVE FISCAL OFFICE
2008 FISCAL HIGHLIGHTS**

TABLE OF CONTENTS

I.	BUDGET COMPARISONS	<u>PAGE #</u>
	Total Means of Finance by Department	1
	Table of Footnotes	2 - 3
	Total State Effort by Department	4
	State General Fund by Department	5
	Interagency Transfers by Department	6
	Self Generated Revenue by Department	7
	Statutory Dedications by Department	8
	Interim Emergency Board Funds by Department	9
	Federal Funds by Department	10
	One-Time Funding for FY 09	11
	Number of Authorized Positions by Department	12
	Capital Outlay Bill Appropriation (Act 29)	13
	Capital Outlay Bill (Act 29) Three Year Comparisons	14
II.	FISCAL ACTIONS – 2008 FIRST & SECOND EXTRAORDINARY SESSIONS AND 2008 REGULAR SESSION	
	Actions Affecting Revenue Estimates	15 - 18
	Major Enhancements in FY 09 Budget Compared to FY 08 Budget	19 - 50
	Major Reductions in FY 09 Budget Compared to FY 08 Budget	51 - 66
III.	BUDGETARY OVERVIEWS	
	State Revenue Summary	67
	Expenditure Limit	68
	Fiscal Impact of Legislative Measures (Supplemental Appropriation Bills, Funds Bills, etc.	69 - 79
	Office of Group Benefits	80 - 81
	Corrections & Youth Services	82 - 83
	Department of Health & Hospitals Medicaid	84 - 88
	Department of Social Services	89
	Elementary & Secondary Education	90 - 93
	Higher Education and TOPS	94 - 95
	LSU HSC Health Care Services Division	96 - 98
IV.	BUDGETARY ISSUES	
	FY 09 Major Budget Issues	99 - 120
V.	TABLES	
	Department of Social Services – TANF Funding	121
	Louisiana Education Quality Trust Fund - 8(g)	122
	Tuition Opportunity Program for Students (TOPS)	123
	State Gaming Revenue - Sources and Uses	124 – 127
	Selected Major State Aid to Local Governments	128
	Capital Outlay Appropriation by Parish (Act 29 of 2008)	129
	Total State Spending without Double Counting of Expenditures	130 – 131

Louisiana Legislative Fiscal Office

Section I

BUDGET COMPARISONS

Fiscal Year 2008-2009

TOTAL MEANS OF FINANCE BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive (a)	\$4,899,671,730	\$12,562,018,083	\$8,270,496,607	(\$4,291,521,476)	(34.2%)
Veterans Affairs	\$27,804,052	\$40,484,875	\$47,093,841	\$6,608,966	16.3%
State (a)	\$72,673,095	\$96,438,347	\$89,083,063	(\$7,355,284)	(7.6%)
Justice (a)	\$41,741,155	\$51,604,477	\$55,600,919	\$3,996,442	7.7%
Lt. Governor	\$8,550,215	\$14,641,294	\$9,436,863	(\$5,204,431)	(35.5%)
Treasury	\$8,980,260	\$13,087,893	\$13,426,061	\$338,168	2.6%
Public Service Comm.	\$8,097,527	\$9,731,270	\$9,390,992	(\$340,278)	(3.5%)
Agriculture (a)	\$99,969,787	\$118,004,076	\$93,307,647	(\$24,696,429)	(20.9%)
Insurance (a)	\$27,270,914	\$59,455,511	\$31,812,137	(\$27,643,374)	(46.5%)
Economic Development (a)	\$123,156,790	\$265,630,425	\$123,355,820	(\$142,274,605)	(53.6%)
Culture, Rec. & Tourism	\$101,263,068	\$153,226,903	\$112,256,660	(\$40,970,243)	(26.7%)
Transp. & Development	\$449,926,066	\$581,479,857	\$546,910,998	(\$34,568,859)	(5.9%)
Corrections (a)	\$438,706,899	\$515,233,849	\$554,113,517	\$38,879,668	7.5%
Public Safety	\$359,346,649	\$400,130,735	\$388,403,159	(\$11,727,576)	(2.9%)
Youth Services	\$134,071,416	\$181,784,584	\$182,478,883	\$694,299	0.4%
Health and Hospitals	\$6,611,623,097	\$7,852,180,436	\$8,412,803,651	\$560,623,215	7.1%
Social Services (a)	\$985,500,780	\$1,265,962,687	\$1,095,115,090	(\$170,847,597)	(13.5%)
Natural Resources	\$111,195,609	\$174,182,888	\$172,132,501	(\$2,050,387)	(1.2%)
Revenue	\$84,396,109	\$98,271,130	\$103,738,318	\$5,467,188	5.6%
Environmental Quality (a)	\$133,050,140	\$160,352,490	\$152,965,352	(\$7,387,138)	(4.6%)
Labor	\$257,671,457	\$269,400,414	\$269,004,912	(\$395,502)	(0.1%)
Wildlife and Fisheries	\$79,762,630	\$151,533,357	\$130,718,225	(\$20,815,132)	(13.7%)
Civil Service	\$13,577,199	\$17,462,143	\$19,613,746	\$2,151,603	12.3%
Retirement Systems (a)	\$1,515,740	\$61,564,978	\$1,564,978	(\$60,000,000)	(97.5%)
Higher Education (a)	\$2,612,953,002	\$2,919,738,234	\$2,877,557,000	(\$42,181,234)	(1.4%)
Special Schools & Comm. (a)	\$254,033,973	\$300,591,893	\$316,636,061	\$16,044,168	5.3%
Elem. & Secondary Ed (a)	\$4,570,744,994	\$5,456,911,165	\$4,946,301,672	(\$510,609,493)	(9.4%)
Health Care Srv. Division (a)	\$75,798,614	\$96,197,587	\$91,808,199	(\$4,389,388)	(4.6%)
Other Requirements (a)	\$1,421,949,419	\$1,742,525,037	\$747,982,516	(\$994,542,521)	(57.1%)
General Appropriation Total	\$24,015,002,386	\$35,629,826,618	\$29,865,109,388	(\$5,764,717,230)	(16.2%)
Ancillary	\$1,815,415,365	\$1,847,227,975	\$1,826,268,152	(\$20,959,823)	(1.1%)
Judiciary	\$119,140,208	\$138,794,807	\$143,919,511	\$5,124,704	3.7%
Legislative	\$68,756,720	\$84,381,831	\$86,615,908	\$2,234,077	2.6%
Capital Outlay Cash (a)	\$2,725,373,189	\$2,558,180,183	\$992,492,951	(\$1,565,687,232)	(61.2%)
Other Approp. Bills' Total	\$4,728,685,482	\$4,628,584,796	\$3,049,296,522	(\$1,579,288,274)	(34.1%)
Non-Approp. Required	\$555,846,217	\$485,759,067	\$531,660,347	\$45,901,280	9.4%
Grand Total	\$29,299,534,085	\$40,744,170,481	\$33,446,066,257	(\$7,298,104,224)	(17.9%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

(a) See Table of Footnotes on the following page.

TABLE OF FOOTNOTES

Executive – A total of \$1,060,432,678 in Federal funds was non-recurred in GOHSEP relative to Public Assistance and Hazard Mitigation associated with the 2005 hurricanes. In addition, a total of \$3,173,500,700 in Federal funds was non-recurred in the DOA relative to the Road Home Program, also associated with the 2005 hurricanes.

State – The \$7.4M reduction in the total means of financing is primarily attributed to a \$4.7M reduction in SGF coupled with a \$2.4M reduction in Statutory Dedications. The decrease in SGF is attributed to the following major adjustments: -\$3.1M due to removal of non-recurring carryforward funding; \$1.1M reduction in operating expenses, supplies and travel; \$1M reduction for election expenses; and \$0.3M increased funding for the LA Military Hall of Fame & Museum. The \$2.4M reduction in Statutory Dedications is due to reduced HAVA funding for election expenses (-\$1.9M); removal of \$0.7M non-recurring funding from the Overcollection Fund which provided for development of a computer system for the Commercial Program; and a \$0.3M means of financing substitution, replacing SGF with revenue from the Overcollection Fund.

Agriculture & Forestry – The \$14M reduction in SGF results mainly from an increase in FY 08 SGF appropriation when compared to FY 09 SGF appropriation. Act 511 of the 2008 Regular Legislative Session appropriated an additional \$5.4M SGF for the Boll Weevil Eradication Program, \$5M SGF for the Second Harvest Food Bank and \$0.5M for tools and equipment purchases. Also, Act 1 of the 2008 Regular Legislative Session appropriated \$2M SGF for the Boll Weevil Eradication Program. These significant increases in FY 08 resulted in an additional \$12.9M SGF in FY 08, which creates the significant difference between FY 08 SGF budgeted and FY 09 appropriated. The major SGF reduction contained within the FY 09 budget is approximately \$1M SGF and 32 T.O. positions due to personnel reductions.

Insurance – The \$29M reduction in Statutory Dedication results mainly from an increase in FY 08 Statutory Dedications from the Insure LA Incentive Fund. A Joint Legislative Committee on the Budget (JLCB) approved BA-7 appropriated these one-time grant monies in FY 08.

Department of Economic Development – The decrease of \$156.9M IAT funding is due to FY 08 BA-7s approved for the Small Firm Recovery Loan Grant Program. Specifically, the Joint Legislative Committee on the Budget (JLCB) approved \$159.6M for the following BA-7s for this program in FY 08: \$91.6M IAT carryforward funding in August 2007 and another \$68M in December 2007.

Corrections – Increase in Statutory Dedications from the Overcollections Fund for one-time acquisitions and major repairs.

Department of Social Services – The majority of the \$12.1M decrease in IAT is due to \$7.2M to non-recr SSBG funding for hurricane related services; \$1.5M to reduce funding for ACCESS (A Comprehensive Enterprise Social Services System); \$1.3M to non-recr FEMA funds used to reimburse the agency for lost or damaged furniture in offices located in hurricane impacted areas; and \$1.2M to non-recr carryforwards. The majority of the \$161.9M decrease in Federal funds is due to \$100M to non-recr supplemental Social Services Block Grant funds used for hurricane related services; \$35.1M to non-recr carryforwards; \$8.3M to reduce Title IV-E funds due to the Deficit Reduction Act; \$11.2M to non-recr funding for TANF initiatives; and \$4.5M to reduce Federal Support Enforcement Funds that can no longer be used as a match to draw down Federal funds. The majority of the \$4.2M increase in Statutory Dedications is due to \$3.7M for IT projects and acquisitions and \$557,449 for one position to provide service delivery to Traumatic and Spinal Cord clients.

Department of Environmental Quality – Significant net decrease in IAT from FY 08 is due to a decrease of \$7M in FEMA funding appropriated in FY 08 for collection and securing of damaged vehicles and boats from hurricanes Katrina and Rita being non-recurred in FY 09; a \$25,000 reduction due to cessation of engineering reviews undertaken by DEQ in prior fiscal years for the Drinking Water Program within DHH (these reviews will be undertaken by DHH beginning in FY09); and a \$400,000 increase in IAT in FY 09 of FEMA monies to contract for oversight of demolition activities in the New Orleans area. SGR revenue appropriated in FY 09 is \$50,000 less due to the decrease in sales to the public of regulations documents by the Legal Affairs Division within DEQ since the documents have become available on DEQ's public website.

Retirement Systems – The decrease in SGF is the result of supplemental appropriations in FY 08 for the LA State Employees Retirement System (\$20M) and Teachers' Retirement System (\$40M) to accelerate payoff of the Unfunded Accrued Liability.

Higher Education – The increases in higher education funding are a result of all schools receiving funding to either reach or exceed the SREB averages for each category institution in the amount of \$34.7M. Also, funds were allocated to workforce development training and to the various institutions that were directly and indirectly affected by hurricanes Katrina and Rita. Full explanations of these changes are available in the LFO issues document.

Special Schools & Commissions – The increases are primarily a result of the addition of the \$9M “Go Grant” Program to the Office of Student Financial Assistance (OSFA) for need-based scholarships. The remainder of the increases is from pay raises and statewide adjustments.

Elementary & Secondary Education – The majority of the increase in SGF in the Department of Education (\$128.3M) is from increases in the Minimum Foundation Program for the normal growth of the formula and to provide a pay raise of \$1,019 for certificated personnel. Other increases in SGF are for new programs: Literacy and Numeracy (\$12.6M), flexible pay for teachers (\$10M), extended day programs in the Recovery School District (\$8.5M), and funding for career and technical education (\$4.5M). There is also a significant increase in Statutory Dedications as a result of a \$48.6M appropriation from the Mega-Project Development Fund to provide a one-time \$1,000 salary supplement to support personnel. There is a significant decrease in Federal funds and IAT. Approximately \$345.6M in Federal funds that were distributed to the school districts for hurricane recovery is non-recurred, and approximately \$244M in FEMA funds that were interagency transfers is non-recurred in the Recovery School District.

LSU Health Care Services Division – The total budget for the eight hospitals under HCSD, including Executive Administration, is \$970,442,142 for FY 09. This funding includes direct appropriations (SGF and IAT from DHH) and non-appropriated projected revenues (federal Medicare, commercial insurance and self-generated). Projected revenues are subject to change based on utilization.

Other Requirements – The majority of the decrease in SGF is the result of supplemental appropriations in FY 08 for the following funds: Coastal Protection & Restoration Fund (\$300M); Medical Assistance Trust Fund (\$21,536,512); Self-Insurance Fund (\$9,128,500); New Orleans Sports Franchise Fund (\$19,487,908); Academic Improvement Fund (\$10,965,616); Overcollections Fund (\$174,479,070); LA Capitol Tech Fund (\$10M); Community Water Enrichment Fund (\$10M); Mega-Project Development Fund (\$307.1M); LA Economic Development Fd (\$10M); Youthful Offender Management Fd (\$2,998,184); Rapid Response Fund (\$42.1M); Aquatic Plant Control Fund (\$2M); State Emergency Response Fund (\$25,198,655); Oilfield Site Restoration Fund (\$423,566); and Waste Tire Management Fund (\$700,000). The decrease in Statutory Dedications funding is due to a reduction in Video Draw Poker Local Government Aid (\$7,450,000) and Patients Compensation Fund (\$20M)

Capital Outlay Cash – The decrease in total funding is the result of the following supplemental appropriations in FY 08: Act 7 (HB 46) of 2008 Second Extraordinary Session (\$655M SGF and \$300M Statutory Dedications) and Act 511 of 2008 Regular Session (\$47.274M SGF; \$2,055,000 IAT; \$1,393,762 SGR; and \$10M Statutory Dedications)

TOTAL STATE EFFORT BY DEPARTMENT

(TOTAL STATE EFFORT = TOTAL MOF - IAT & FED)

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$381,442,574	\$848,067,823	\$473,222,152	(\$374,845,671)	(44.2%)
Veterans Affairs	\$18,032,225	\$26,995,939	\$27,313,828	\$317,889	1.2%
State	\$71,371,768	\$95,988,860	\$88,768,563	(\$7,220,297)	(7.5%)
Justice	\$21,620,910	\$29,332,940	\$30,521,095	\$1,188,155	4.1%
Lt. Governor	\$1,415,826	\$2,907,686	\$4,177,128	\$1,269,442	43.7%
Treasury	\$7,783,633	\$11,766,265	\$11,988,941	\$222,676	1.9%
Public Service Comm.	\$8,097,527	\$9,731,270	\$9,390,992	(\$340,278)	(3.5%)
Agriculture	\$83,889,183	\$98,743,999	\$80,411,368	(\$18,332,631)	(18.6%)
Insurance	\$27,014,978	\$59,142,056	\$31,008,076	(\$28,133,980)	(47.6%)
Economic Development	\$61,451,063	\$105,377,782	\$122,259,410	\$16,881,628	16.0%
Culture, Rec. & Tourism	\$78,043,124	\$106,640,131	\$103,221,551	(\$3,418,580)	(3.2%)
Transp. & Development	\$427,594,106	\$549,586,973	\$474,811,286	(\$74,775,687)	(13.6%)
Corrections	\$431,355,098	\$505,236,277	\$545,821,495	\$40,585,218	8.0%
Public Safety	\$287,326,271	\$305,584,037	\$314,661,413	\$9,077,376	3.0%
Youth Services	\$122,881,737	\$162,494,063	\$168,641,412	\$6,147,349	3.8%
Health and Hospitals	\$1,782,903,948	\$2,151,491,771	\$2,528,477,162	\$376,985,391	17.5%
Social Services	\$212,732,620	\$261,792,838	\$265,037,622	\$3,244,784	1.2%
Natural Resources	\$78,299,368	\$113,463,805	\$118,670,080	\$5,206,275	4.6%
Revenue	\$83,451,560	\$95,804,506	\$103,048,040	\$7,243,534	7.6%
Environmental Quality	\$104,004,129	\$124,393,169	\$124,872,548	\$479,379	0.4%
Labor	\$102,860,434	\$109,880,040	\$120,666,688	\$10,786,648	9.8%
Wildlife and Fisheries	\$57,070,268	\$73,219,593	\$82,607,964	\$9,388,371	12.8%
Civil Service	\$3,922,706	\$4,564,969	\$7,452,696	\$2,887,727	63.3%
Retirement Systems	\$1,515,740	\$61,564,978	\$1,564,978	(\$60,000,000)	(97.5%)
Higher Education	\$2,108,974,748	\$2,345,621,448	\$2,359,786,887	\$14,165,439	0.6%
Special Schools & Comm.	\$212,138,452	\$240,513,365	\$252,346,281	\$11,832,916	4.9%
Elem. & Secondary Ed	\$3,048,947,515	\$3,494,398,941	\$3,717,936,283	\$223,537,342	6.4%
Health Care Srvc. Division	\$75,798,614	\$96,197,587	\$91,808,199	(\$4,389,388)	(4.6%)
Other Requirements	\$1,362,974,627	\$1,690,292,818	\$694,956,239	(\$995,336,579)	(58.9%)
General Appropriation Total	\$11,264,914,752	\$13,780,795,929	\$12,955,450,377	(\$825,345,552)	(6.0%)
Ancillary	\$1,478,566,252	\$1,544,338,234	\$1,528,398,783	(\$15,939,451)	(1.0%)
Judiciary	\$119,140,208	\$130,124,807	\$136,983,511	\$6,858,704	5.3%
Legislative	\$68,756,720	\$84,381,831	\$86,615,908	\$2,234,077	2.6%
Capital Outlay Cash	\$2,579,913,594	\$2,050,469,265	\$947,214,111	(\$1,103,255,154)	(53.8%)
Other Approp. Bills' Total	\$4,246,376,774	\$3,809,314,137	\$2,699,212,313	(\$1,110,101,824)	(29.1%)
Non-Approp. Required	\$555,846,217	\$485,759,067	\$531,660,347	\$45,901,280	9.4%
Grand Total	\$16,067,137,743	\$18,075,869,133	\$16,186,323,037	(\$1,889,546,096)	(10.5%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

STATE GENERAL FUND BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$208,795,802	\$194,278,822	\$154,356,851	(\$39,921,971)	(20.5%)
Veterans Affairs	\$10,604,268	\$17,295,211	\$14,281,621	(\$3,013,590)	(17.4%)
State	\$38,649,704	\$61,696,074	\$56,953,446	(\$4,742,628)	(7.7%)
Justice	\$14,547,099	\$18,747,604	\$18,764,985	\$17,381	0.1%
Lt. Governor	\$1,354,826	\$2,757,686	\$4,001,128	\$1,243,442	45.1%
Treasury	\$1,220,566	\$1,659,969	\$1,576,483	(\$83,486)	(5.0%)
Public Service Comm.	\$1,200,000	\$0	\$0	\$0	0.0%
Agriculture	\$37,897,835	\$50,972,603	\$36,938,122	(\$14,034,481)	(27.5%)
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$37,004,774	\$42,277,270	\$29,135,452	(\$13,141,818)	(31.1%)
Culture, Rec. & Tourism	\$57,341,410	\$75,319,892	\$72,063,285	(\$3,256,607)	(4.3%)
Transp. & Development	\$4,454,072	\$24,826,600	\$0	(\$24,826,600)	(100.0%)
Corrections	\$400,569,776	\$464,490,456	\$494,839,179	\$30,348,723	6.5%
Public Safety	\$4,294,304	\$51,618,329	\$42,961,647	(\$8,656,682)	(16.8%)
Youth Services	\$116,409,678	\$155,007,850	\$164,593,887	\$9,586,037	6.2%
Health and Hospitals	\$1,140,675,961	\$1,371,519,522	\$2,170,160,171	\$798,640,649	58.2%
Social Services	\$194,495,429	\$237,469,704	\$236,677,464	(\$792,240)	(0.3%)
Natural Resources	\$6,437,622	\$8,392,629	\$8,694,870	\$302,241	3.6%
Revenue	\$49,229,531	\$49,247,336	\$22,825,466	(\$26,421,870)	(53.7%)
Environmental Quality	\$10,491,509	\$12,763,848	\$12,087,791	(\$676,057)	(5.3%)
Labor	\$464,301	\$1,020,000	\$4,642,096	\$3,622,096	355.1%
Wildlife and Fisheries	\$239,984	\$540,000	\$90,000	(\$450,000)	(83.3%)
Civil Service	\$1,919,504	\$2,390,408	\$5,174,926	\$2,784,518	116.5%
Retirement Systems	\$1,515,740	\$61,564,978	\$1,564,978	(\$60,000,000)	(97.5%)
Higher Education	\$1,263,741,186	\$1,438,573,613	\$1,476,685,807	\$38,112,194	2.6%
Special Schools & Comm.	\$160,640,837	\$181,425,249	\$185,551,265	\$4,126,016	2.3%
Elem. & Secondary Ed	\$2,752,626,770	\$3,180,729,890	\$3,357,040,518	\$176,310,628	5.5%
Health Care Srv. Division	\$75,798,614	\$94,765,933	\$89,938,199	(\$4,827,734)	(5.1%)
Other Requirements	\$1,115,774,225	\$1,371,916,500	\$405,291,900	(\$966,624,600)	(70.5%)
General Appropriation Total	\$7,708,395,327	\$9,173,267,976	\$9,066,891,537	(\$106,376,439)	(1.2%)
Ancillary	\$230,593	\$11,077,566	\$1,000,000	(\$10,077,566)	(91.0%)
Judiciary	\$113,187,317	\$122,161,700	\$128,895,700	\$6,734,000	5.5%
Legislative	\$58,313,309	\$71,012,644	\$69,370,885	(\$1,641,759)	(2.3%)
Capital Outlay Cash	\$1,095,967,000	\$736,183,874	\$10,000,000	(\$726,183,874)	(98.6%)
Other Approp. Bills' Total	\$1,267,698,219	\$940,435,784	\$209,266,585	(\$731,169,199)	(77.7%)
Non-Approp. Required	\$351,392,081	\$379,059,067	\$424,160,347	\$45,101,280	11.9%
Grand Total	\$9,327,485,627	\$10,492,762,827	\$9,700,318,469	(\$792,444,358)	(7.6%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

INTERAGENCY TRANSFERS BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$55,952,536	\$135,997,041	\$429,535,395	\$293,538,354	215.8%
Veterans Affairs	\$0	\$0	\$0	\$0	0.0%
State	\$1,301,327	\$449,487	\$314,500	(\$134,987)	(30.0%)
Justice	\$16,762,275	\$18,536,674	\$20,968,682	\$2,432,008	13.1%
Lt. Governor	\$257,358	\$615,058	\$615,058	\$0	0.0%
Treasury	\$1,196,627	\$1,320,628	\$1,436,120	\$115,492	8.7%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$2,051,777	\$549,761	\$547,429	(\$2,332)	(0.4%)
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$60,092,189	\$158,005,822	\$1,096,410	(\$156,909,412)	(99.3%)
Culture, Rec. & Tourism	\$11,431,669	\$27,437,255	\$600,050	(\$26,837,205)	(97.8%)
Transp. & Development	\$3,581,368	\$7,685,564	\$50,739,292	\$43,053,728	560.2%
Corrections	\$5,544,242	\$6,668,421	\$4,962,871	(\$1,705,550)	(25.6%)
Public Safety	\$48,929,605	\$58,192,354	\$32,690,064	(\$25,502,290)	(43.8%)
Youth Services	\$10,676,605	\$18,702,600	\$13,299,550	(\$5,403,050)	(28.9%)
Health and Hospitals	\$531,195,238	\$536,677,268	\$512,850,353	(\$23,826,915)	(4.4%)
Social Services	\$83,419,711	\$121,549,892	\$109,390,722	(\$12,159,170)	(10.0%)
Natural Resources	\$9,656,811	\$17,928,632	\$11,472,429	(\$6,456,203)	(36.0%)
Revenue	\$550,549	\$2,089,601	\$296,278	(\$1,793,323)	(85.8%)
Environmental Quality	\$13,551,731	\$7,025,000	\$400,000	(\$6,625,000)	(94.3%)
Labor	\$3,659,817	\$7,169,998	\$7,765,024	\$595,026	8.3%
Wildlife and Fisheries	\$3,907,793	\$6,052,342	\$5,929,842	(\$122,500)	(2.0%)
Civil Service	\$9,654,493	\$12,897,174	\$12,161,050	(\$736,124)	(5.7%)
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$366,872,295	\$422,288,536	\$424,677,208	\$2,388,672	0.6%
Special Schools & Comm.	\$19,138,375	\$23,347,152	\$26,279,103	\$2,931,951	12.6%
Elem. & Secondary Ed	\$305,895,165	\$579,674,495	\$212,007,401	(\$367,667,094)	(63.4%)
Health Care Srv. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$58,974,792	\$52,232,219	\$53,026,277	\$794,058	1.5%
General Approp. Total	\$1,624,254,348	\$2,223,092,974	\$1,933,061,108	(\$290,031,866)	(13.0%)
Ancillary	\$333,173,102	\$296,148,674	\$297,869,369	\$1,720,695	0.6%
Judiciary	\$0	\$8,670,000	\$6,936,000	(\$1,734,000)	(20.0%)
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$123,843,621	\$381,687,000	\$31,532,840	(\$350,154,160)	(91.7%)
Other Approp. Bills' Total	\$457,016,723	\$686,505,674	\$336,338,209	(\$350,167,465)	(51.0%)
Non-Approp. Required	\$0	\$0	\$0	\$0	0.0%
Grand Total	\$2,081,271,071	\$2,909,598,648	\$2,269,399,317	(\$640,199,331)	(22.0%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

SELF GENERATED REVENUE BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$94,605,574	\$112,522,606	\$116,826,189	\$4,303,583	3.8%
Veterans Affairs	\$7,427,957	\$9,700,728	\$12,674,602	\$2,973,874	30.7%
State	\$13,424,591	\$15,758,404	\$15,635,102	(\$123,302)	(0.8%)
Justice	\$448,121	\$1,244,292	\$1,309,919	\$65,627	5.3%
Lt. Governor	\$61,000	\$150,000	\$150,000	\$0	0.0%
Treasury	\$5,782,839	\$6,884,879	\$7,191,041	\$306,162	4.4%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$6,850,621	\$9,754,987	\$9,519,857	(\$235,130)	(2.4%)
Insurance	\$26,127,590	\$28,939,639	\$29,859,482	\$919,843	3.2%
Economic Development	\$975,847	\$1,117,909	\$2,849,217	\$1,731,308	154.9%
Culture, Rec. & Tourism	\$19,928,687	\$25,808,778	\$25,543,591	(\$265,187)	(1.0%)
Transp. & Development	\$33,627,779	\$46,874,860	\$2,417,143	(\$44,457,717)	(94.8%)
Corrections	\$30,600,322	\$40,191,821	\$41,379,773	\$1,187,952	3.0%
Public Safety	\$110,468,461	\$115,825,992	\$120,364,705	\$4,538,713	3.9%
Youth Services	\$617,895	\$764,341	\$674,341	(\$90,000)	(11.8%)
Health and Hospitals	\$56,457,217	\$63,729,621	\$60,567,181	(\$3,162,440)	(5.0%)
Social Services	\$13,003,653	\$16,581,769	\$16,402,040	(\$179,729)	(1.1%)
Natural Resources	\$124,093	\$345,875	\$345,875	\$0	0.0%
Revenue	\$33,435,081	\$45,444,493	\$78,274,647	\$32,830,154	72.2%
Environmental Quality	\$111,100	\$439,385	\$389,385	(\$50,000)	(11.4%)
Labor	\$400,448	\$899,483	\$19,417	(\$880,066)	(97.8%)
Wildlife and Fisheries	\$61,008	\$105,300	\$90,300	(\$15,000)	(14.2%)
Civil Service	\$616,746	\$619,738	\$652,637	\$32,899	5.3%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$686,182,327	\$746,705,708	\$744,811,802	(\$1,893,906)	(0.3%)
Special Schools & Comm.	\$925,494	\$1,235,788	\$1,533,421	\$297,633	24.1%
Elem. & Secondary Ed	\$2,692,037	\$6,021,361	\$4,474,906	(\$1,546,455)	(25.7%)
Health Care Svc. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$258,399	\$343,801	\$288,034	(\$55,767)	(16.2%)
General Appropriation Total	\$1,145,214,887	\$1,298,011,558	\$1,294,244,607	(\$3,766,951)	(0.3%)
Ancillary	\$1,044,674,732	\$1,444,260,668	\$1,434,355,003	(\$9,905,665)	(0.7%)
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$10,443,411	\$13,369,187	\$16,995,023	\$3,625,836	27.1%
Capital Outlay Cash *	\$189,472,078	\$91,715,196	\$81,415,238	(\$10,299,958)	(11.2%)
Other Approp. Bills' Total	\$1,244,590,221	\$1,549,345,051	\$1,532,765,264	(\$16,579,787)	(1.1%)
Non-Approp. Required	\$0	\$0	\$0	\$0	0.0%
Grand Total	\$2,389,805,108	\$2,847,356,609	\$2,827,009,871	(\$20,346,738)	(0.7%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

* Inclusive of Reappropriated Cash (\$2,189,574).

STATUTORY DEDICATIONS BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$77,892,385	\$536,659,861	\$202,039,112	(\$334,620,749)	(62.4%)
Veterans Affairs	\$0	\$0	\$357,605	\$357,605	0.0%
State	\$19,297,473	\$18,534,382	\$16,180,015	(\$2,354,367)	(12.7%)
Justice	\$6,625,690	\$9,341,044	\$10,446,191	\$1,105,147	11.8%
Lt. Governor	\$0	\$0	\$26,000	\$26,000	0.0%
Treasury	\$780,228	\$3,221,417	\$3,221,417	\$0	0.0%
Public Service Comm.	\$6,897,527	\$9,731,270	\$9,390,992	(\$340,278)	(3.5%)
Agriculture	\$39,140,727	\$38,016,409	\$33,953,389	(\$4,063,020)	(10.7%)
Insurance	\$887,388	\$30,202,417	\$1,148,594	(\$29,053,823)	(96.2%)
Economic Development	\$23,470,442	\$61,982,603	\$90,274,741	\$28,292,138	45.6%
Culture, Rec. & Tourism	\$773,027	\$5,511,461	\$5,614,675	\$103,214	1.9%
Transp. & Development	\$389,512,255	\$477,885,513	\$465,491,584	(\$12,393,929)	(2.6%)
Corrections	\$185,000	\$54,000	\$9,602,543	\$9,548,543	17682.5%
Public Safety	\$172,563,506	\$138,139,716	\$151,335,061	\$13,195,345	9.6%
Youth Services	\$5,854,164	\$6,721,872	\$3,373,184	(\$3,348,688)	(49.8%)
Health and Hospitals	\$585,770,770	\$715,558,628	\$297,749,810	(\$417,808,818)	(58.4%)
Social Services	\$5,233,538	\$7,741,365	\$11,958,118	\$4,216,753	54.5%
Natural Resources	\$71,737,653	\$104,725,301	\$109,629,335	\$4,904,034	4.7%
Revenue	\$786,948	\$1,112,677	\$1,947,927	\$835,250	75.1%
Environmental Quality	\$93,401,520	\$111,189,936	\$112,395,372	\$1,205,436	1.1%
Labor	\$101,995,685	\$107,960,557	\$116,005,175	\$8,044,618	7.5%
Wildlife and Fisheries	\$56,769,276	\$72,574,293	\$82,427,664	\$9,853,371	13.6%
Civil Service	\$1,368,905	\$1,549,874	\$1,625,133	\$75,259	4.9%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$157,920,974	\$160,072,388	\$138,289,278	(\$21,783,110)	(13.6%)
Special Schools & Comm.	\$50,572,121	\$57,852,328	\$65,261,595	\$7,409,267	12.8%
Elem. & Secondary Ed	\$293,628,708	\$307,647,690	\$356,420,859	\$48,773,169	15.9%
Health Care Srvc. Division	\$0	\$0	\$1,870,000	\$1,870,000	0.0%
Other Requirements	\$246,595,394	\$318,032,517	\$289,376,305	(\$28,656,212)	(9.0%)
General Appropriation Total	\$2,409,661,304	\$3,302,019,519	\$2,587,411,674	(\$714,607,845)	(21.6%)
Ancillary	\$433,660,927	\$89,000,000	\$93,043,780	\$4,043,780	4.5%
Judiciary	\$5,952,891	\$7,963,107	\$8,087,811	\$124,704	1.6%
Legislative	\$0	\$0	\$250,000	\$250,000	0.0%
Capital Outlay Cash	\$1,291,452,945	\$1,221,470,195	\$855,798,873	(\$365,671,322)	(29.9%)
Other Approp. Bills' Total	\$1,731,066,763	\$1,318,433,302	\$957,180,464	(\$361,252,838)	(27.4%)
Non-Approp. Required	\$204,454,136	\$106,700,000	\$107,500,000	\$800,000	0.7%
Grand Total	\$4,345,182,203	\$4,727,152,821	\$3,652,092,138	(\$1,075,060,683)	(22.7%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

INTERIM EMERGENCY BOARD FUNDS DISTRIBUTED BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$148,813	\$4,606,534	\$0	(\$4,606,534)	(100.0%)
Veterans Affairs	\$0	\$0	\$0	\$0	0.0%
State	\$0	\$0	\$0	\$0	0.0%
Justice	\$0	\$0	\$0	\$0	0.0%
Lt. Governor	\$0	\$0	\$0	\$0	0.0%
Treasury	\$0	\$0	\$0	\$0	0.0%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$0	\$0	\$0	\$0	0.0%
Insurance	\$0	\$0	\$0	\$0	0.0%
Economic Development	\$0	\$0	\$0	\$0	0.0%
Culture, Rec. & Tourism	\$0	\$0	\$0	\$0	0.0%
Transp. & Development	\$0	\$0	\$0	\$0	0.0%
Corrections	\$0	\$500,000	\$0	(\$500,000)	(100.0%)
Youth Services	\$0	\$0	\$0	\$0	0.0%
Public Safety	\$0	\$0	\$0	\$0	0.0%
Health and Hospitals	\$0	\$684,000	\$0	(\$684,000)	(100.0%)
Social Services	\$0	\$0	\$0	\$0	0.0%
Natural Resources	\$0	\$0	\$0	\$0	0.0%
Revenue	\$0	\$0	\$0	\$0	0.0%
Environmental Quality	\$0	\$0	\$0	\$0	0.0%
Labor	\$0	\$0	\$0	\$0	0.0%
Wildlife and Fisheries	\$0	\$0	\$0	\$0	0.0%
Civil Service	\$17,551	\$4,949	\$0	(\$4,949)	(100.0%)
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$1,130,261	\$269,739	\$0	(\$269,739)	(100.0%)
Special Schools & Comm.	\$0	\$0	\$0	\$0	0.0%
Elem. & Secondary Ed	\$0	\$0	\$0	\$0	0.0%
Health Care Svc. Division	\$0	\$1,431,654	\$0	(\$1,431,654)	(100.0%)
Other Requirements	\$346,609	\$0	\$0	\$0	0.0%
General Appropriation Total	\$1,643,234	\$7,496,876	\$0	(\$7,496,876)	(100.0%)
Ancillary	\$0	\$0	\$0	\$0	0.0%
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$3,021,571	\$1,100,000	\$0	(\$1,100,000)	(100.0%)
Other Approp. Bills' Total	\$3,021,571	\$1,100,000	\$0	(\$1,100,000)	0.0%
Non-Approp. Required	\$0	\$0	\$0	\$0	0.0%
Grand Total	\$4,664,805	\$8,596,876	\$0	(\$8,596,876)	(100.0%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

FEDERAL FUNDS BY DEPARTMENT

<u>DEPARTMENT</u>	<u>Actual FY 07</u>	<u>Budgeted FY 08 (1)</u>	<u>Appropriated FY 09 (2)</u>	<u>Dollar Change</u>	<u>Percent Change</u>
Executive	\$4,462,276,620	\$11,577,953,219	\$7,367,739,060	(\$4,210,214,159)	(36.4%)
Veterans Affairs	\$9,771,827	\$13,488,936	\$19,780,013	\$6,291,077	46.6%
State	\$0	\$0	\$0	\$0	0.0%
Justice	\$3,357,970	\$3,734,863	\$4,111,142	\$376,279	10.1%
Lt. Governor	\$6,877,031	\$11,118,550	\$4,644,677	(\$6,473,873)	(58.2%)
Treasury	\$0	\$1,000	\$1,000	\$0	0.0%
Public Service Comm.	\$0	\$0	\$0	\$0	0.0%
Agriculture	\$14,028,827	\$18,710,316	\$12,348,850	(\$6,361,466)	(34.0%)
Insurance	\$255,936	\$313,455	\$804,061	\$490,606	156.5%
Economic Development	\$1,613,538	\$2,246,821	\$0	(\$2,246,821)	(100.0%)
Culture, Rec. & Tourism	\$11,788,275	\$19,149,517	\$8,435,059	(\$10,714,458)	(56.0%)
Transp. & Development	\$18,750,592	\$24,207,320	\$21,360,420	(\$2,846,900)	(11.8%)
Corrections	\$1,807,559	\$3,329,151	\$3,329,151	\$0	0.0%
Public Safety	\$23,090,773	\$36,354,344	\$41,051,682	\$4,697,338	12.9%
Youth Services	\$513,074	\$587,921	\$537,921	(\$50,000)	(8.5%)
Health and Hospitals	\$4,297,523,911	\$5,164,011,397	\$5,371,476,136	\$207,464,739	4.0%
Social Services	\$689,348,449	\$882,619,957	\$720,686,746	(\$161,933,211)	(18.3%)
Natural Resources	\$23,239,430	\$42,790,451	\$41,989,992	(\$800,459)	(1.9%)
Revenue	\$394,000	\$377,023	\$394,000	\$16,977	4.5%
Environmental Quality	\$15,494,280	\$28,934,321	\$27,692,804	(\$1,241,517)	(4.3%)
Labor	\$151,151,206	\$152,350,376	\$140,573,200	(\$11,777,176)	(7.7%)
Wildlife and Fisheries	\$18,784,569	\$72,261,422	\$42,180,419	(\$30,081,003)	(41.6%)
Civil Service	\$0	\$0	\$0	\$0	0.0%
Retirement Systems	\$0	\$0	\$0	\$0	0.0%
Higher Education	\$137,105,959	\$151,828,250	\$93,092,905	(\$58,735,345)	(38.7%)
Special Schools & Comm.	\$22,757,146	\$36,731,376	\$38,010,677	\$1,279,301	3.5%
Elem. & Secondary Ed	\$1,215,902,314	\$1,382,837,729	\$1,016,357,988	(\$366,479,741)	(26.5%)
Health Care Srvc. Division	\$0	\$0	\$0	\$0	0.0%
Other Requirements	\$0	\$0	\$0	\$0	0.0%
General Appropriation Total	\$11,125,833,286	\$19,625,937,715	\$14,976,597,903	(\$4,649,339,812)	(23.7%)
Ancillary	\$3,676,011	\$6,741,067	\$0	(\$6,741,067)	(100.0%)
Judiciary	\$0	\$0	\$0	\$0	0.0%
Legislative	\$0	\$0	\$0	\$0	0.0%
Capital Outlay Cash	\$21,615,974	\$126,023,918	\$13,746,000	(\$112,277,918)	(89.1%)
Other Approp. Bills' Total	\$25,291,985	\$132,764,985	\$13,746,000	(\$119,018,985)	(89.6%)
Non-Approp. Required	\$0	\$0	\$0	\$0	0.0%
Grand Total	\$11,151,125,271	\$19,758,702,700	\$14,990,343,903	(\$4,768,358,797)	(24.1%)

(1) Budgeted as of June 30, 2008.

(2) Appropriated in Act 19 of 2008 Regular Session. Does not include carry-forward BA-7s.

ONE-TIME FUNDING FOR FY 09

<u>DEPARTMENT</u>	<u>TOTAL</u>
* Executive	\$111,913,494
* Veterans' Affairs	\$57,605
* State	\$1,715,210
* Justice	\$804,508
* Lt. Governor	\$26,000
Treasury	\$0
Public Service Commission	\$0
* Agriculture & Forestry	\$354,102
Insurance	\$0
* Economic Development	\$3,815,287
* Culture, Recreation and Tourism	\$4,574,675
* Transportation & Development	\$2,853,600
* Corrections	\$9,548,543
* Public Safety	\$14,035,887
a Youth Services	\$2,998,184
b Health & Hospitals	\$100,411,426
* Social Services	\$3,959,304
* Natural Resources	\$1,553,542
Revenue	\$81,458
* Environmental Quality	\$2,145,801
* Labor	\$393,000
Wildlife & Fisheries	\$0
Civil Service	\$0
Retirement Systems	\$0
* Higher Education	\$4,625,000
* Special Schools & Commissions	\$812,139
c Elementary & Secondary Education	\$48,800,000
* LSU Health Care Services Division	\$1,870,000
* Other Requirements	\$32,505,295
General Appropriation Total	\$349,854,060
Ancillary	\$0
Judiciary	\$0
Legislature	\$0
Capital Outlay Cash	\$0
Other Approp. Bills' Total	\$0
Parish Sev, Roy, Hwy Fd #2	\$0
Rev. Sharing & Interim Emergency	\$0
State G.O. Debt Service	\$0
Non-Approp. Required	\$0
Grand Total	\$349,854,060

- * Statutory Dedications funding from the Overcollections Fund
- a Statutory Dedications funding from the Youthful Offender Management Fund.
- b Statutory Dedications funding from the Overcollections Fund (\$14,985,976); Medical Assistance Trust Fund Excess (\$47,166,660); Medicaid Trust Fund for the Elderly (\$17,258,790); and the NOW Fund (\$21,000,000, of which \$17.7 is in MVP, \$1,885,465 is in MVA, and \$1,391,480 is in OCDD).
- c Statutory Dedications funding from the the Overcollections Fund (\$200,000) and the Mega-Project Development Fund (\$48.6M).

NUMBER OF POSITIONS BY DEPARTMENT

DEPARTMENT	1996-97	1997-98	1998-99	1999-00	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	Budgeted 2007-08	Approp. 2008-09	Change 2007-08 to 2008-09
Executive	1,350	1,495	1,580	1,718	1,889	2,065	2,361	1,951	2,046	2,064	2,114	2,398	2,258	284
Veterans Affairs (a)	0	0	0	0	0	0	0	410	556	554	642	828	807	186
State	270	270	273	277	291	291	283	229	285	290	328	348	342	20
Justice	396	356	426	439	442	452	456	431	516	509	524	531	521	7
Lt. Governor	7	7	7	8	9	9	9	9	13	13	14	28	28	14
Treasury	46	48	50	50	54	55	55	56	60	60	60	65	65	5
Public Service Comm.	107	113	113	116	116	119	134	122	122	122	122	122	111	0
Agriculture	819	825	839	839	788	824	831	822	831	805	798	829	810	(19)
Insurance	257	269	275	296	272	272	273	273	277	277	280	289	281	(8)
Economic Development	369	374	363	365	345	92	100	101	100	99	100	119	133	14
Culture, Rec., Tourism	556	588	651	659	636	658	694	693	734	768	773	785	790	5
Transp. and Development	5,596	5,558	5,491	5,606	5,354	5,342	5,280	5,271	5,154	5,137	4,998	4,872	4,849	(23)
Corrections Services	7,128	7,391	7,473	8,017	8,234	8,130	8,039	6,423	6,352	6,113	6,172	6,517	6,401	(116)
Public Safety	2,838	2,966	2,959	3,028	2,808	2,802	2,872	2,940	2,854	2,837	2,844	2,926	2,941	15
Youth Services (b)	0	0	0	0	0	0	0	1,492	1,362	1,310	1,277	1,358	1,340	(18)
Health & Hosp./LHCA	23,351	13,114 (c)	13,335 (c)	13,573	12,574	12,715	12,780	12,857	12,274	12,078	12,064	12,324	11,896	(428)
Social Services	6,448	6,647	6,537	6,523	5,845	5,788	5,515	5,323	5,269	5,193	5,169	5,242	5,165	(77)
Natural Resources	398	448	488	490	442	474	491	496	508	494	495	507	517	10
Revenue	988	1,059	1,020	1,053	1,015	1,020	977	942	929	928	934	947	893	(54)
Environmental Quality	985	1,009	1,063	1,060	1,063	1,054	1,002	1,018	1,021	1,044	986	992	953	(39)
Labor	1,294	1,259	1,262	1,263	1,240	1,168	1,206	1,208	1,208	1,196	1,107	1,079	1,063	(16)
Wildlife and Fisheries	813	839	823	832	809	797	792	786	797	798	795	800	802	2
Civil Service	172	174	179	182	183	180	181	176	175	174	167	172	188	16
Retirement Systems (d)	223	230	249	260	259	268	290	306	307	307	307	313	360	47
Higher Education (e)	25,969	35,929 (c)	37,132 (c)	39,058 (f)	40,049	40,308	41,110	30,606	32,259	33,113	31,310	32,655 (g)	34,333	1,678
Special Schools & Comm.	873	871	894	923	1,030	1,021	1,045	1,045	1,073	1,051	979	1,023	1,021	(2)
Dept. of Education	957	969	945	1,052	1,061	1,005	1,037	1,022	900	831	818	857	825	(32)
Approp. Bill Total	82,210	82,808	84,427	87,687	86,808	86,909	87,813	77,008	77,982	78,165	76,177	78,926	79,693	767
Ancillary Bill	987	901	968	1,027	961	950	958	837	966	968	958	955	956	1
Total with Ancillary	83,197	83,709	85,395	88,714	87,769	87,859	88,771	77,845	78,948	79,133	77,135	79,881	80,649	768

(a) FY 04 is Veterans Affairs first fiscal year as a department

(b) Act 7 of the 2004 Regular Session created Youth Services as an independent organizational unit in the Department of Public Safety and Corrections.

(c) Decrease due to a transfer of 10,320 positions from DHH to Higher Education because of the transfer of the charity hospital system.

(d) Funding for Retirement Systems operating budgets are no longer appropriated. Figures reflect positions budgeted by the systems.

(e) Colleges and universities do not have authorized position numbers. These figures are estimates, made by the colleges and universities, of the number of full-time equivalent unrestricted employees.

(f) Vo-Tech positions included in Higher Education total with the creation of the LCTCS effective July 1, 1999.

(g) The increase in the number of employees is primarily due to storm affected campuses filling vacant slots.

**Capital Outlay Appropriation
Act 29 of 2008**

Means of Finance Category	Appropriation Less Vetoed Items
Cash Section	
State General Fund (Direct)	\$10,000,000
Interagency Transfers	\$31,532,840
Self-Generated Revenues	\$79,225,664
Statutory Dedications	
Unclaimed Property Leverage Fund	\$30,000,000
Transportation Mobility Fund	\$2,422,700
LA State Parks Improvement & Repair Fund	\$5,700,000
SU Agricultural Program Fund	\$250,000
State Hwy Improvement Fund	\$33,100,000
Transportation Trust Fund - Regular	\$178,212,952
Transportation Trust Fund - TIMED	\$17,813,221
Transportation Trust Fund - Federal	\$587,300,000
Wildlife Habitat Natural Heritage Trust Fund	\$1,000,000
Total Statutory Dedications	\$855,798,873
Federal Funds	\$13,746,000
Reappropriated Cash	\$2,189,574
Reappropriated Interest Earnings	\$0
Revenue Bonds	\$1,587,890,400
TOTAL CASH SECTION	\$2,580,383,351
General Obligation Bond Section	
Priority 1	\$1,198,885,000
Priority 2	\$57,795,000
Priority 3	\$0
Priority 4	\$0
Priority 5	\$1,028,395,000
TOTAL GENERAL OBLIGATION BONDS	\$2,285,075,000
Bonds NRP/RBP	\$6,663,523
Act 29 of 2008	\$4,872,121,874

**Capital Outlay Bill
Three Year Comparison**

Cash Section	Act 27 of 2006 FY 07	Act 28 of 2007 FY 08	Act 29 of 2008 FY 09	Difference FY 08 to 09
General Fund	\$29,417,000	\$17,444,500	\$10,000,000	(\$7,444,500)
Reappropriated Cash	\$1,934,375	\$2,953,148	\$2,189,574	(\$763,574)
Interagency Transfer	\$46,000,000	\$379,132,000	\$31,532,840	(\$347,599,160)
Self-Generated Revenues	\$129,558,408	\$86,490,446	\$79,225,664	(\$7,264,782)
Federal (Includes TTF-Federal)	\$620,550,627	\$731,923,918	\$601,046,000	(\$130,877,918)
Transportation Trust Fund (TTF-Regular)	\$184,287,693	\$227,407,183	\$178,212,952	(\$49,194,231)
Tran. Infra. Model for Econ. Dev. (TIMED)	\$72,830,252	\$26,080,035	\$17,813,221	(\$8,266,814)
Other Statutory Dedication	\$8,150,000	\$62,009,603	\$72,472,700	\$10,463,097
Revenue Bonds	\$979,364,453	\$1,559,310,465	\$1,587,890,400	\$28,579,935
Reappropriations of Interest Earnings	\$158,615	\$0	\$0	\$0
Total Cash Section	\$2,072,251,423	\$3,092,751,298	\$2,580,383,351	(\$512,367,947)
General Obligation (G. O.) Bond Section				
Priority I	\$811,035,000	\$759,715,000	\$1,198,885,000	\$439,170,000
Priority II	\$373,528,000	\$537,744,000	\$57,795,000	(\$479,949,000)
Priority III	\$369,955,000	\$683,150,000	\$0	(\$683,150,000)
Priority IV	\$140,405,000	\$414,230,000	\$0	(\$414,230,000)
Priority V	\$1,005,570,000	\$2,582,952,520	\$1,028,395,000	(\$1,554,557,520)
Total G. O. Bond Section	\$2,700,493,000	\$4,977,791,520	\$2,285,075,000	(\$2,692,716,520)
NRP/RBP *	\$6,040,231	\$7,367,738	\$6,663,523	(\$704,215)
Total Capital Outlay Bill Less Vetoes	\$4,778,784,654	\$8,077,910,556	\$4,872,121,874	(\$3,205,788,682)

Notes:

The Capital Outlay Appropriations for each year above are net of items vetoed by the Governor.
The Federal means of finance category includes Federal Funds and Transportation Trust Funds-Federal.

*NRP (Not Requiring a Priority) is the allocation of previously sold bonds.

*RBP (Reimbursement Bond Proceeds) is the appropriation of funding made available from prepayments of reimbursement bond contracts.

Louisiana Legislative Fiscal Office

Section II

FISCAL ACTIONS

2008 FIRST EXTRAORDINARY SESSION

2008 SECOND EXTRAORDINARY SESSION

2008 REGULAR SESSION

Fiscal Year 2008-2009

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2008 2nd Extraordinary Session

Instrument	Description	2008-09	2009-10	2010-11	2011-12	2012-13
SESSION ACTIONS - REVENUE						
Sales Tax - General						
Act 1 2nd. Ex. Session HB 1	Eliminate 1% levy of state sales tax on nonresidential purchases of electricity, natural gas energy, steam, and water. Also eliminates all 4% tax on nonresidential purchases of butane and propane. Effective July 1, 2008.	(\$69,000,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)	(\$68,250,000)
Act 9 2nd. Ex. Session SB 7	Corrects error in Act 339 of 2007 Regular Session granting manufacturing status to newspaper publishing for purposes of the phase-out of state sales tax on machinery & equipment. Already accounted for in official forecasts.	\$0	\$0	\$0	\$0	\$0
	Also clarified that immediate 4% exemption granted to fuels and gases in HB 1 above applied to butane and propane. Effective upon governor's signature.	\$0	\$0	\$0	\$0	\$0
Act 12 2nd. Ex. Session SB 12	Shortens, by one year, the phase-out schedule currently granted to manufacturing machinery & equipment. Complete 100% exemption will occur in FY 10 rather than FY 11. Effective July 1, 2008.	\$0	(\$4,000,000)	\$0	\$0	\$0
Corporate Income & Franchise Tax						
Act 10 2nd. Ex. Session SB 10	Shortens, by one year, the phase-out schedule currently granted to borrowed capital. Complete 100% exemption will occur with tax year 2011 (FY 11) rather than tax year 2012 (FY 12).	\$0	\$0	(\$26,000,000)	\$0	\$0
Act 4 2nd. Ex. Session HB 9	Grants another \$50M of state tax credits for implementation of the state New Markets Tax Credit program. Credits are issued over a three year period, with a three year schedule of realizations allowed. Other program changes are also made.	(\$10,000,000)	(\$15,000,000)	(\$15,000,000)	(\$7,500,000)	(\$2,500,000)
Personal Income Tax						
Act 8 2nd. Ex. Session SB 5	Provides tax deductions for nonpublic school tuition and certain home school expenses, as well as for required school uniforms, texts, curricula, instructional materials, and supplies purchased for both nonpublic and public school students. Effective for expenditures starting in 2009.	\$0	(\$23,338,000)	(\$24,500,000)	(\$25,700,000)	(\$27,000,000)

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2008 2nd Extraordinary Session

Instrument	Description	2008-09	2009-10	2010-11	2011-12	2012-13
Act 5 2nd. Ex. Session HB 18	Holds harmless state individual income tax liabilities that would be increased by the federal income tax rebates provided under the federal Economic Stimulus Act of 2008. Greater state income tax receipts resulting from this extraordinary federal tax action have not been anticipated in the official revenue forecasts. Effective for tax years beginning in 2008.	\$0	\$0	\$0	\$0	\$0
SGF Earnings						
Act 2 2nd. Ex. Session HB 5	Authorizes state investment in debts of the LA Stadium & Exposition District. Potential loss of general fund earnings to the extent existing investments are replaced with lower yielding LSED instruments.	Potential Revenue Loss				
Total Adjustments To Major State Tax, License And Fee Estimates		(\$79,000,000)	(\$110,588,000)	(\$133,750,000)	(\$101,450,000)	(\$97,750,000)
SESSION ACTIONS - DEDICATIONS						
Transportation Trust Fund / State Highway Improvement Fund						
Act 11 2nd. Ex. Session SB 11	Phases in a dedication of the state sales tax on motor vehicles to the TTF over a 7-year period, starting with FY 09 at 10%, then 20% in FY 10, 30% in FY 11, 50% in FY 12, 75% in FY 13, 85% in FY 14, and 100% in FY 15 and beyond. Dedications cease if revenue forecasts decline, and begin again once forecasts exceed their previous level. Also accelerates the dedication of truck licenses into the SHIP, from 50% to 75% in FY 09 and from 75% to 100% in FY 10.	\$42,410,000	\$74,920,000	\$97,680,000	\$166,300,000	\$254,700,000
Adjustments To Dedications of Major State Tax, License, and Fee Estimates		\$42,410,000	\$74,920,000	\$97,680,000	\$166,300,000	\$254,700,000
TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST		(\$121,410,000)	(\$185,508,000)	(\$231,430,000)	(\$267,750,000)	(\$352,450,000)

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2008 Regular Session

Instrument	Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
SESSION ACTIONS - REVENUE							
Sales Tax - General							
Act 232 Regular Session SB 188	Extends the effectiveness of the LA Tax Free Shopping Program, a sales tax refund program for foreign visitors to the state, from July 1, 2009 until July 1, 2013.			(\$872,000)	(\$872,000)	(\$872,000)	(\$872,000)
Act 250 Regular Session HB 104	Dedicates the avails of 1.97% of state sales tax imposed on hotel/motel room rentals in Webster Parish to the Webster Parish Convention and Visitors Bureau. Effectively reduces collections available to the state general fund. Effective July 1, 2008.		(\$140,000)	(\$140,000)	(\$140,000)	(\$140,000)	(\$140,000)
Act 903 Regular Session HB 465	Authorizes creation of a new tax increment financing district encompassing portions of the Jefferson Parish commercial corridors of Veterans Blvd., Causeway Blvd., and W. Esplanade Ave., including the Lakeside Shopping Center. TIFs dedicate revenue growth that is already anticipated in revenue forecasts, and effectively reduce those collections for use in the state budget. Effective upon governor's signature.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Act 914 Regular Session HB 401	Authorizes creation of a new tax increment financing district encompassing a material portion of New Orleans north of I-10 & I-610, between the London Avenue Canal and the Industrial Canal, commonly known as Gentilly. TIFs dedicate revenue growth that is already anticipated in revenue forecasts, and effectively reduce those collections for use in the state budget. Effective upon governor's signature.		DECREASE	DECREASE	DECREASE	DECREASE	DECREASE
Personal Income Tax							
Act 396 Regular Session SB 87	Expands the 4% and 6% income tax brackets to the thresholds that existed prior to tax year 2003. The 2% bracket threshold is not affected. Withholding tables are not to be adjusted until after July 1, 2009. Effective for tax years beginning in 2009.			(\$359,000,000)	(\$251,000,000)	(\$262,000,000)	(\$273,000,000)
Total Adjustments To Major State Tax, License And Fee Estimates		\$0	(\$140,000)	(\$360,012,000)	(\$252,012,000)	(\$263,012,000)	(\$274,012,000)
SESSION ACTIONS - DEDICATIONS							

**Actions Affecting Major State Tax, License and Fee Estimates
and Estimates of Net Available State General Fund Revenue**

2008 Regular Session

Instrument	Description	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13
Workforce Training Rapid Response Fund							
Act 890 Regular Session HB 1018	Annually dedicates, at the beginning of each fiscal year, an amount sufficient to bring the unobligated fund balance to \$10M. The first year, FY 09, a full amount will necessarily be dedicated. In subsequent years the amount dedicated can be less than the full amount authorized, depending on what the unobligated fund balance is at the beginning of each fiscal year. Effective upon governor's signature.		\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
Legislative Capitol Technology Enhancement Fund							
Act 513 Regular Session HB 926	Dedicates \$10M per year to the newly created Legislative Capitol Technology Fund for audio-visual upgrades and technology enhancements in the Capitol Complex. Dedicates \$10M of FY 08 resources (effective upon governor's signature) and then \$10M each year starting with July 1, 2009 (FY 10 and beyond).	\$10,000,000	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
	Adjustments To Dedications of Major State Tax, License, and Fee Estimates	\$10,000,000	\$10,000,000	\$20,000,000	\$20,000,000	\$20,000,000	\$20,000,000
	TOTAL ADJUSTMENTS TO OFFICIAL NET AVAILABLE STATE GENERAL FUND-DIRECT REVENUE FORECAST	(\$10,000,000)	(\$10,140,000)	(\$380,012,000)	(\$272,012,000)	(\$283,012,000)	(\$294,012,000)
OTHER ITEMS OF INTEREST							
Parish Severance Tax Allocation / Atchafalaya Basin Conservation Fund							
Act 932 Regular Session HB 420	Increases the annual maximum severance tax allocation back to the parishes of severance by \$1M effective July 1, 2009, and an additional \$1M on July 1, 2010.			\$26,900,000	\$46,300,000	\$46,300,000	\$46,300,000
	Also dedicates 50% (up to \$10M per year) of severance tax collections from state lands in the Atchafalaya Basin to the newly created Atchafalaya Basin Conservation Fund.			\$10,000,000	\$10,000,000	\$10,000,000	\$10,000,000
	To be submitted to the electors at the statewide election on November 4, 2008.						
				If adopted by the electors, these additional tax dedications will reduce revenue available to the state general fund by the estimated amounts above.			

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
01 - 100	Executive	Executive Office	Provides additional funding from DHH for LA Guardianship Services (LGS).	\$0	\$129,326	0
01 - 102	Executive	Inspector General	<p>Additional SGF for increased operating expenses of the Inspector General for FY 09. Included in this additional funding is \$2,000 associated with the passage of Act 12 (HB 56) of the 1st Extraordinary Session which required the Inspector General to implement a toll-free fraud hotline to receive complaints of waste, inefficiency, mismanagement, misconduct, abuse, fraud, and corruption and determine if a complaint warrants investigation by the Inspector General or by appropriate federal, state, or local agencies, or may conduct such investigations upon his own initiative. Remaining costs are as follows:</p> <p>\$24,700 - convert 3 vacant Auditor positions to 3 Compliance Investigator positions above the minimum budgeted; \$3,300 - radio and television ads; \$4,000 - email usage and related matters; \$3,000 - surveillance equipment such as SLR digital cameras, photoscopic lenses, and digital recorders; \$3,000 - equipment for the office/field operations such as portable printers and scanners, cd/dvd read writeable drives for all desktop and laptop computers, and photo printers; and \$10,000 - development and maintenance of a new website and additional URL addresses.</p>	\$50,000	\$50,000	0
01 - 103	Executive	Mental Health Advocacy	Provides IAT funding from the DHH for representation of respondents ordered to undergo involuntary outpatient treatment. This adjustment provides for the implementation of Act 407 (SB 182) of 2008.	\$0	\$174,491	0
01 - 107	Executive	Division of Administration	<p>Funding from the Statutory Dedicated Overcollections Fund for the Enterprise Resource Planning System (ERP) and the state transparency website. The ERP will replace the existing statewide financial management, purchasing, budget, and contract management systems as well as provide a linear asset management solution for the Department of Transportation & Development (DOTD). Also, new functionality will be provided in the statewide systems for grants, projects, assets, and facility management; and inventory for the Office of Facility Planning & Control (FPC). Approximately 70 disparate statewide and agency specific applications will be replaced. Funding level for FY 08 was \$16,184,000 (Overcollections Fund). Recommended funding level for FY 09 is \$34,826,316.</p> <p>Funding in the amount of \$1M is included in this appropriation for the state transparency website which is mandated by Act 20 of the 1st Extraordinary Session which requires the Commissioner of Administration (COA) to establish and maintain a website to post reports of state spending.</p>	\$0	\$18,642,316	0
01 - 107	Executive	Division of Administration	<p>The \$114,900 adjustment for the Office of Information Technology (OIT) projects includes funding to replace a total of 24 servers and upgrade the Windows server operating system. The existing 24 servers will reach 5 years of age in FY 09 at which time Dell maintenance is no longer available. In addition, Microsoft has released a new version of the server operating system and the DOA must begin migration to the MS Windows server 2008.</p> <p>These servers support the DOA's mission critical applications and it is imperative that they are able to obtain needed hardware and software maintenance from the vendors. The mission critical applications that these servers support include LA Employees Online, BSI (used for payroll), Microsoft SMS (used for management), Geographic Information Systems (GIS), Filenet (imaging system), and other applications.</p> <p>The funding for FY 09 includes one-time cost of \$44,500 for software upgrade and \$70,400 for hardware that will be leased through LEAF for 5 years. The \$70,400 is the estimated finance cost for FY 09. The DOA was appropriated a total of \$4,308,905 for OIT projects in FY 08.</p>	\$114,900	\$114,900	0
01 - 107	Executive	Division of Administration	<p>SGF funding for research for best practice standards, development and implementation of policy initiatives. The overall objective of this initiative is to provide outside economic analysis of projects that the DOA reviews. The area of analysis will include such items as new budget initiatives, capital outlay, Gulf Opportunity Zone applications and Film Production tax credits. Overall economic impact models for broad categories of projects will be developed. The models should provide some general guidance to improve the return on investment to the LA taxpayer. To that end, assessment and analysis of currently existing data will be conducted, as well as development of methods to collect data that is deemed lacking.</p> <p>This entire project is based on work done by a consortium of LA academics at UNO, LSU-BR, LSU-Shreveport and McNeese for the Lt. Governor and the Department of Culture, Recreation & Tourism (CRT). CRT quantified the impact of spending on tourism, parks, libraries, museums, and cultural development. This allowed the commissioner (then secretary) to emphasize those programs producing the greatest return on investment.</p> <p>The analysis provided by the consortium will provide the Commissioner greater information concerning the economics of the various projects the DOA oversees. By providing such information, decisions will be based on objective factors such as return on investment thus providing for a more rational decision making process.</p>	\$550,000	\$550,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
01 - 111	Executive	Office of Homeland Security & Emergency Prep	<p>SGF funding for a match for the Emergency Management Performance Grant (EMPG) which is designed to help states and urban areas achieve target levels of capability to sustain and enhance the effectiveness of their emergency management programs. This program enables states to develop intra and interstate emergency management systems that encourage partnerships among government, business, volunteer and community organizations based on identified needs and priorities for strengthening their emergency management and catastrophic planning capabilities.</p> <p>This funding provides the state's 50% match for this grant. The Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) notes that it did not request the state matching funds in FY 08 and absorbed the match within its operating budget. According to the GOHSEP, these funds will be utilized for operating expenses, supplies, travel, and the director's conference which is hosted by the GOHSEP, which pays for the parishes' expenses to attend.</p>	\$1,716,479	\$1,716,479	0
01 - 111	Executive	Office of Homeland Security & Emergency Prep	Funding for a director for each parish Office of Emergency Preparedness from the Overcollections Fund.	\$0	\$3,000,000	0
01 - 111	Executive	Office of Homeland Security & Emergency Prep	IAT funding from the DOA for emergency generators at special medical needs shelters setup in the event of a disaster or emergency situation. The source of the IAT funding is the State Emergency Response Fund (SERF).	\$0	\$4,236,305	0
01 - 111	Executive	Office of Homeland Security & Emergency Prep	Funding for Interoperability moved from the Executive Office to GOHSEP. Funding for FY 08 was \$14,041,063. Funding for FY 09 is \$24,263,697, which is an increase of \$10,222,634.	\$0	\$10,222,634	
01 - 124	Executive	LA Stadium & Exposition District	Additional Statutory Dedicated funding for operating expenses generated from the Fair Grounds racetrack slots. (R.S. 27:392. C.7.) Should sufficient funding from slots allow for the deposits to be made as required by Paragraphs (1) through (6) of this Subsection, the state treasurer shall deposit in and credit to the New Orleans Sports Franchise Assistance Fund monies to be appropriated and distributed each fiscal year to the LA Stadium & Exposition District for use only to fund contractual obligations of the state to any National Football League or National Basketball Association franchise located in Orleans Parish.	\$0	\$1,100,000	0
01 - 126	Executive	Board of Tax Appeals	Funding for additional operating expenses.	\$94,000	\$94,000	0
01 - 129	Executive	LA Commission on Law Enforcement	SGF funding for the LA Victim Notification System (LAVNS). The incorporation of the LA Sex Offender Registry and LA Protective Order Registry into the LAVNS will allow victims and other concerned citizens to be automatically notified when there is a change in the status of a sex offender they have registered to be informed about and when a protective order has been served against such an offender. These funds will allow for a professional services contract to provide the interface between the LA Sex Offender Registry and the LA Protective Order Registry which will supply data to the LAVNS.	\$200,000	\$200,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Funding for an increase in the U.S. Department of Justice grant. This discretionary federal grant was awarded in FY 08 in the amount of \$1,949,756. It is earmarked for the New Orleans Family Justice Center (NOFJC) and is scheduled to continue until 6/30/09. This is an estimate of the grant balance that will be disbursed in FY 09. The NOFJC was established to enhance a coordinated community response to domestic violence by providing co-located services designed to increase the safety of victims and their children. These funds will be provided through the Office of Violence Against Women (OVW).	\$0	\$1,000,000	0
01 - 133	Executive	Office of Elderly Affairs	Increased funding due to the legislative change in the calculation of the Parish Council on Aging (PCOA) formula. In the 2007 Regular Legislative Session, the PCOA formula increased the payment for persons over 60 years of age from \$1.25 to \$2.50 and the minimum per parish increased to \$37,500 with a maximum of \$100,000. An adjustment of \$1,114,490 is the additional amount which is required to fund the PCOA formula for FY 09 based upon the statutory changes of 2007.	\$1,114,490	\$1,114,490	0
01 - 133	Executive	Office of Elderly Affairs	Net increase in legislative line item appropriations for Parish Councils on Aging and Senior Centers from FY 08 in the amount of \$393,020. Total line item appropriations for FY 09 is \$1,995,520 while SGF for special legislative projects was non-recurred in the amount of \$1,602,500 (Council on Aging - \$807,500 and Senior Centers - \$795,000).	\$393,020	\$393,020	0
01 - 254	Executive	LA Racing Commission	Statutory Dedicated funding for contract with LSU to conduct post-race drug tests on horses. Funding source is the Pari-mutuel Live Racing Facility Gaming Control Fund. Funding for this activity in FY 08 was \$681,000.	\$0	\$100,000	0
01 - 255	Executive	Office of Financial Institutions	Funding for development costs associated with the creation of the Nationwide Mortgage Licensing System pursuant to Act 929 of 2008.	\$259,720	\$259,720	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>	
Major Enhancements for Executive				\$4,492,609	\$43,097,681	0	
03	- 130	Veterans' Affairs	Dept. Veterans' Affairs	SGF funding for a medal initiative in the Administration Program to award medals to veterans statewide to honor their military services. The Department of Veterans Affairs will begin a program designed to present the LA Veterans Service Medal to all LA veterans. This plan will involve the distribution of 20,000 medals in FY 09, most of which will be presented to WWII veterans. The estimated cost is \$10-\$11/medal. This will be an ongoing project to make the medals available to approximately 388,000 LA veterans.	\$250,000	\$250,000	0
03	- 130	Veterans' Affairs	Dept. Veterans' Affairs	The Secretary of the Department of Veterans Affairs position was appointed by Governor Jindal. The position was added through an in-house BA-7 in January 2008, however no funding was provided. Funding from vacant positions was utilized in FY 08 to pay the salary and related benefits of this position. This SGF adjustment funds the full salary and related benefits for FY 09.	\$173,275	\$173,275	0
03	- 132	Veterans' Affairs	Northeast LA War Veterans' Home	Federal funding for professional services with a physical or occupational therapy company to provide services for medicare eligible recipients at this facility. The Northeast LA War Veterans Home (NELWVH) is now licensed as a medicare facility by the Centers for Medicare & Medicaid Services (CMS), thus the implementation of this program will generate more federal revenue for this facility as a 3rd party provider; and will no longer bill the CMS for its services, but will receive the medicare reimbursement directly.	\$0	\$334,674	0
03	- 132	Veterans' Affairs	Northeast LA War Veterans' Home	Federal funding for increased cost of medical supplies for the implementation of the Medicare Program. The NELWVH is now licensed as a medicare facility by the CMS and Federal funds will be provided for these recurring expenses associated with medical supplies for medicare eligible residents.	\$0	\$125,033	0
03	- 134	Veterans' Affairs	Southwest LA War Veterans' Home	Federal funding for increased cost of Medicare therapy services provided by contractors for the Medicare Program.	\$0	\$210,480	0
Major Enhancements for Veterans' Affairs				\$423,275	\$1,093,462	0	
04a	- 139	State	Office of Secretary of State	Provides \$161,450 for replacement batteries for Edge and AVC voting machines; \$150,000 for annual software license agreement with Sequoia for statewide voting system; \$64,000 maintenance contract for 110 scanners used on election night to tally paper absentee ballots; and \$31,200 software upgrades for audio, programming and elections server. Total recommended for FY 09 is \$456,150.	\$406,650	\$406,650	0
04a	- 139	State	Office of Secretary of State	Increases SGF funding for voting machine warehouse rentals. Total recommended for FY 09 is \$2,585,643.	\$300,000	\$300,000	0
04a	- 139	State	Office of Secretary of State	Funding for the LA Military Hall of Fame & Museum in Abbeville.	\$250,000	\$250,000	0
Major Enhancements for State				\$956,650	\$956,650	0	
04b	- 141	Justice	Office of Attorney General	Salary increase to attract and retain attorneys. Means of financing is as follows: \$754,150 IAT (primarily from Office of Risk Management); \$18,788 SGR; \$224,283 Statutory Dedications from video poker (\$93,017), riverboat (\$45,870), insurance fraud (\$38,083), slots at racetrack (\$30,861) and debt collection (\$16,452); and Federal \$43,865. Only non-supervisory/non-management level attorneys will receive a raise. Funding provides for implementation of a new salary structure, which raises the minimum to \$55,000 and the maximum to \$115,000.	\$228,054	\$1,269,140	0
04b	- 141	Justice	Office of Attorney General	Provides SGF (\$26,813) and IAT (\$179,931) to provide for increased rent for the Jefferson Parish, New Orleans and Monroe offices.	\$26,813	\$206,744	0
04b	- 141	Justice	Office of Attorney General	Funding for establishment of the Identity Theft & Fraud Unit, including 5 positions.	\$200,000	\$200,000	5
04b	- 141	Justice	Office of Attorney General	Funding for forensic training for local law enforcement agencies on internet crimes against children.	\$0	\$200,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
04b - 141	Justice	Office of Attorney General	Funding for salaries, related benefits and operating expenses for 5 existing positions (investigators and computer forensic analysts) assigned to the High Technology Crime Unit for Internet Crimes Against Children Task Force (ICAC). The positions were funded by a federal grant from the Office of Juvenile & Delinquency Prevention in FY 08.	\$338,503	\$338,503	0
Major Enhancements for Justice				\$793,370	\$2,214,387	5
04c - 146	Lieutenant Governor	Office of Lieutenant Governor	Provides increase in Federal funding for the LA Serve Commission for building and fostering service as a means of community and state problem solving. Brings total Federal funding to \$4,644,677 for this purpose.	\$0	\$1,316,347	0
Major Enhancements for Lieutenant Governor				\$0	\$1,316,347	0
04d - 147	Treasury	Office of State Treasury	Provides funding (\$115,422 IAT and \$14,300 SGR) for central banking services increased costs due to new technologies and increased use of services by state agencies. Total recommended for FY 09 is \$1,688,145.	\$0	\$129,722	0
04d - 147	Treasury	Office of State Treasury	Funding for the LA Financial Literacy & Education Commission, pursuant to Act 766 of 2008. The commission will develop, foster, and coordinate actions necessary on a statewide basis to implement or improve financial literacy and education programs.	\$100,000	\$100,000	0
Major Enhancements for Treasury				\$100,000	\$229,722	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Provides funding for Office of Information Technology (OIT) projects in the total amount of \$903,527 for 300 desktop computers, 3Com Switch network infrastructure and the design of a new web application. The project breakdown is as follows: *\$118,527 SGF- 3Com Switch is the vendor that will be tasked with upgrading the Department's network infrastructure. According to the OIT, there is an agreement that the Department does need its network upgraded. However, the current state standard is CISCO and not 3Com Switch. *\$285,000 Statutory Dedications- 300 replacement desktop computers for employees with desktops that are 5 years or older. *\$500,000 SGF- design of a new web application for renewing licenses, permits, and certificates via the web. The Statutory Dedications funding for the 300 desktop computers is from the Overcollections Fund. The Overcollections Fund's original source is excess SGF receipts deposited into the Overcollections Fund. The projects are one-time expenditures in FY 09.	\$618,527	\$903,527	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Increases IAT budget authority from the Department of Health & Hospitals (DHH), Office of Public Health (OPH), for the storage of LA's anti viral cache of medications, which will be needed during an influenza pandemic. These stored medications will be utilized to treat and protect LA citizens. The original funding source for this IAT is Federal funds.	\$0	\$148,619	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Annualization of an approved April 2008 JLCB BA-7 in the amount of \$200,000 Federal funds. These funds are for salaries expenditures for firefighters not expended in the current year from this federal grant. The BA-7 budgeted \$3,050,500 in FY 08, which is the remaining Federal funding for the hurricane supplemental fire assistance program. The award to the Department from the U.S. Department of Agriculture (USDA) was \$8,618,452 in 2006. To date, the Department has expended approximately \$5.4M total funding in FY 07 and FY 08 combined.	\$0	\$200,000	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Additional funding for agricultural programs within the Office of Management and Finance (OMF) Program. The Department has been given the authority by the Division of Administration (DOA) to spread the additional \$700,000 in needed areas within the OMF Program.	\$700,000	\$700,000	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Additional funding for the Forestry Program. The Department has been given the authority by the Division of Administration (DOA) to spread the additional \$200,000 appropriated by the Legislature in needed areas within the Forestry Program.	\$200,000	\$200,000	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Funding for Pursuing a Dream Foundation - Outdoors Without Limits, which represents an enhancement of \$15,000. Included within the FY 08 budget is \$35,000 for this project. During the Executive Budget phase, \$35,000 was non-recurred and Senate Finance Committee added \$50,000 for this project, which equates to a \$15,000 net enhancement over FY 08 budget. Included within the overall preamble adjustments, the Division of Administration (DOA) reduced the \$50,000 SGF and increased the Overcollections Fund. <u>Thus, this project will be funded with the Overcollections Fund in FY 09 and not the SGF.</u>	\$15,000	\$15,000	0
Major Enhancements for Agriculture & Forestry				\$1,533,527	\$2,167,146	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
04g - 165	Insurance	Commissioner of Insurance	<p>Provides SGR funding for OIT projects in the total amount of \$648,400. The specific breakdown of these OIT projects include: *\$41,000 - Licensing software *\$222,000 - Capitalized hardware (11 servers, 2 Disk Array Enclosures, 2 Powervault Backup Units, Network Analyzer, Portable Cooler Unit) *\$375,400 - Hardware (70 Personal Computers, 30 Laptop Computers, 38 Network Printers, 32 Network Color Printers, 4 Routers, 3 Switches, 4 Check Scanners, iMac Computer, Asset Inventory Scanner) *\$10,000 - Software (20 Desktop Software at \$500 each)</p> <p><i>Of the \$648,400, \$607,400 is one-time expenditures that will be non-recurred during the FY 10 budget development process, while \$41,000 for licensing software is for recurring expenditures.</i></p>	\$0	\$648,400	0
04g - 165	Insurance	Commissioner of Insurance	<p>Funding in the amount of \$450,055 SGR for new and expanded services associated with the mandates of the Department of Insurance (DOI) outlined within Act 420 and Act 459 of the 2007 Regular Legislative Session. Act 459 abolished the Louisiana Insurance Rating Commission and its previous duties will now be the responsibility of the DOI and the Commissioner of Insurance. Act 420 of the 2007 Regular Legislative Session provides a mechanism for discontinuation of the 10% higher rate charged by Louisiana Citizens Property Insurance Corporation (Citizens) in special circumstances and waives the 10% rate surcharge in 12 disaster parishes for the next 3 years. Out of the total funding, \$150,000 is for 2 professional services contracts for the DOI Actuarial Services Division. These contracts will assist the DOI in determining the existence of a competitive market for various lines of insurance on a per parish basis as mandated by Act 420. The 2 contracts are for computer programming and economic/market expertise. The \$300,055 is for the information technology expenditures associated with creating a data system needed to determine market competitiveness and validation. Citizens is writing more than 50% of the property insurance business in the 12 parishes' insurance market as mandated by Act 420.</p> <p><u>NOTE: Act 347 (HB 302) of the 2008 Regular Legislative Session added St. Mary Parish to the initial list of 11 parishes to bring the total number impacted to 12.</u></p>	\$0	\$450,055	0
04g - 165	Insurance	Commissioner of Insurance	<p>One-time federal budget authority for the Senior Health Insurance Information Program (SHIIP), which receives its grant monies from the Centers for Medicare and Medicaid Services (CMS). These monies will be used to specifically target and assist people eligible for low-income subsidy (LIS) in understanding the subsidy and assist individuals with filling out the necessary applications. This funding was added in the House Appropriations Committee.</p>	\$0	\$270,400	0
04g - 165	Insurance	Commissioner of Insurance	<p>Additional SGR for 1 T.O. position and operational expenditures pursuant to Act 403 (SB 150) of 2008. Act 403 provides for the formation and operation of domestic captive insurance companies within LA. This position will be a Compliance Examiner who will handle approximately 12 projected captive insurers. The projected expenditures include: \$56,304 - salaries, \$21,141 - related benefits, \$10,000 - travel, \$6,559 - operating services, \$500 - supplies, \$4,240 - acquisitions. Domestic captive insurers are wholly owned subsidiaries created to provide insurance to the parent companies (formalized self-insurance).</p>	\$0	\$98,744	1
Major Enhancements for Insurance				\$0	\$1,467,599	1
05 - 251	Economic Development	Office of Business Development	<p>Statutory Dedicated funding for the state economic competitiveness benchmarking, planning, and research initiative. This initiative will focus on economic development strategies and planning by benchmarking state policies against competing states. The DED will use \$475,000 of this amount to fund 4 additional positions and related expenses.</p> <p>The DED will use the 4 positions and the remaining \$2M in funding for the following: 1) Identify/target appropriate industry segments poised to grow; 2) Market research and strategic planning; 3) Benchmark LA public policies (business taxes, incentives, workforce programs, worker's comp, etc.) against those of competing states to identify gaps and solutions; 4) Benchmark service levels of state agencies and regulatory processes against those of competing states to identify gaps and solutions; 5) Develop plans for development of ports, airports, transportation and other public infrastructure with a focus on economic development impact; 6) Develop industry-specific strategic plans to protect the competitiveness of mature industries (e.g., wood products) and grow emerging industries (e.g., digital media); and 7) Launch initiatives through LED and/or in partnership with other state agencies (e.g., DOL) to improve state competitiveness. The source of these Statutory Dedicated funds is the LED Fund.</p>	\$0	\$2,474,970	4
05 - 251	Economic Development	Office of Secretary	<p>SGF funding for salary increases for the Secretary and Deputy Secretary per R.S. 36:103 and 105. The Secretary's annual salary is increasing by \$74,256, from \$245,744 under the previous administration to \$320,000 for the current Secretary. The Deputy Secretary's annual salary is increasing by \$94,040, from \$143,460 under the previous administration to \$237,500 for the current Deputy Secretary. The remaining \$52,564 of this item is for related benefits for these 2 employees.</p>	\$220,860	\$220,860	0
05 - 252	Economic Development	Office of Business Development	<p>Statutory Dedicated funding for annualized costs at the Good Manufacturing Practices (GMP) facility from the LA Economic Development (LED) Fund. This funding will be used primarily for professional services to assist investigators moving toward commercialization of manufacturing processes.</p>	\$0	\$400,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
05 - 252	Economic Development	Office of Business Development	Additional funding for travel costs for economic development regional representatives.	\$40,000	\$40,000	0
05 - 252	Economic Development	Office of Business Development	Increases Statutory Dedicated funding for the Clinical Manufacturing Facility (Wet Lab) facility in Baton Rouge to align the recommended budget with anticipated expenditure requirements. This additional funding will allow the Lab to hire 10 new contract positions and purchase required testing supplies. The LED Fund is the source of these additional funds. The total budget for this facility in FY 09 is \$4,165,876.	\$0	\$1,606,412	0
05 - 252	Economic Development	Office of Business Development	Increases Statutory Dedicated funding for the Life Science Incubator (Wet Lab) facility in Shreveport to align the recommended budget with anticipated expenditure requirements. The LED Fund is the source of these additional funds. The DED will use the additional funds to hire a consultant to market and recruit new tenants. The total budget for this facility in FY 09 is \$759,213.	\$0	\$65,937	0
05 - 252	Economic Development	Office of Business Development	Provides SGF funding for 4 positions to administer the "Broadway South" programs per Act 482 of 2007. Act 482 provides a refundable credit against income tax for the production expenses, transportation costs, employment of college and vocation-technical students, employment of residents, and for the construction, repair, or renovation of facilities related to productions and performances, The DED, the Commissioner of Administration, and the Office of the Governor certify that the production or project is eligible for a tax credit under Act 482.	\$468,934	\$468,934	4
05 - 252	Economic Development	Office of Business Development	Provides SGF funding for a retention/expansion team (3 additional positions) to cultivate LA's existing businesses by aggressively pursuing retention/expansion prospects identified via company consultations, company inquiries and partner communications. The Department will also use the funds to develop prospect management capabilities for small and large projects. Of this amount, \$318,160 is for salaries and related benefits, \$43,468 for operating expenses, \$30,400 for other charges, and \$7,972 for acquisitions and major repairs.	\$400,000	\$400,000	3
05 - 252	Economic Development	Office of Business Development	Statutory Dedicated funding for Project Specific Site Preparation/Evaluation from the LED Fund. The DED will use these funds for site selection consultant's request on site specific information and proposals including title searches, wetland delineations, soil evaluation, archeological evaluations, transportation assessments, land surveys, environmental assessments, etc.	\$0	\$2,000,000	0
05 - 252	Economic Development	Office of Business Development	Statutory Dedicated funding for the Quick Start Initiative to deliver comprehensive workforce training services. These services include pre-employment assessments and job specific training. This initiative is modeled after the Quick Start Program in Georgia. Quick Start in Georgia provides customized workforce training free-of-charge to qualified businesses in Georgia. The source of these Statutory Dedicated funds is the LA Economic Development (LED) Fund.	\$0	\$3,000,000	0
05 - 252	Economic Development	Office of Business Development	SGF funding to hire a consultant to maintain a statewide web-based GIS site and a Building Database Program.	\$65,871	\$65,871	0
05 - 252	Economic Development	Office of Business Development	SGF funding to support the technology transfer, procurement, and economic development activities from the NASA Michoud facility.	\$100,000	\$100,000	0
05 - 252	Economic Development	Office of Business Development	Additional Statutory Dedicated funding from the Rapid Response Fund. The DED will use these additional funds for the immediate funding of economic development projects necessary to secure the creation and retention of jobs. These additional funds bring the total funding from the Rapid Response Fund to \$40.9M in FY 09.	\$0	\$30,900,000	0
05 - 252	Economic Development	Office of Business Development	Additional SGR to allow the state to acquire gas pipeline servitude at Franklin Farms located in Holly Ridge in Richland Parish.	\$0	\$264,000	0
05 - 252	Economic Development	Office of Business Development	Adds 3 additional positions and associated funding (SGF) for the Office of Entertainment Industry Development (per December 2007 BA-7). This brings the total budget for the Office of Entertainment Industry Development to \$1,528,121 and 14 positions (\$1,378,121 SGF and \$150,000 Statutory Dedications).	\$160,100	\$160,100	3
05 - 252	Economic Development	Office of Business Development	Provides funding to the Business Development Program for the town of Winnsboro for economic development.	\$50,000	\$50,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding to the Business Development Program for the town of Livingston for economic development.	\$75,000	\$75,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
05 - 252	Economic Development	Office of Business Development	Provides funding and 3 positions to the Business Development Program from SGR for the Accent Corporation for operational expenses associated with occupying the former State Farm building in West Monroe. The additional SGR represents contractual payments to the Department from the following parties to fund expenses incurred by Accent Corporation to remodel and improve the building to meet the company's needs: city of Monroe, city of West Monroe, Ouachita Parish Police Jury, and the Ouachita Development Land Corporation.	\$0	\$1,350,000	3
05 - 252	Economic Development	Office of Business Development	Provides funding for International Paper in Bastrop to fund plant modifications. The source of the funds is the LA Economic Development Fund.	\$0	\$3,000,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for the Port of Manchac for water and sewer infrastructure. The source of the funds is the LA Economic Development Fund.	\$0	\$750,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for the ULL Architecture Program for an economic and coastal study.	\$15,000	\$15,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for Lake Charles North Economic Development.	\$50,000	\$50,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for the city of DeQuincy Downtown Development District.	\$25,000	\$25,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for the town of Vinton Downtown Development District.	\$25,000	\$25,000	0
05 - 252	Economic Development	Office of Business Development	Provides additional funding to the town of Walker for an economic development master plan. Total funding for FY 09 is \$75,000.	\$55,000	\$55,000	0
05 - 252	Economic Development	Office of Business Development	Provides funding for the Shreveport Regional Sports Authority for the Bassmaster Classic.	\$250,000	\$250,000	0
05 - 252	Economic Development	Office of Business Development	Provides additional funding for the town of Stonewall for economic development initiatives. Total funding for FY 09 is \$200,000.	\$125,000	\$125,000	0
05 - 252	Economic Development	Office of Business Development	Provides additional funding for the East Feliciana Economic Development District. Total funding for FY 09 is \$50,000.	\$25,000	\$25,000	0
Major Enhancements for Economic Development				\$2,150,765	\$47,962,084	17

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
06 - 261	Culture, Recreation & Tourism	Office of Secretary	Additional SGF funding for New Orleans City Park. Funding provided will be for the continuation of basic operations of the park complex, as well as recovery and rebuilding efforts. Funding is also provided for the Office of Risk Management for general liability, property, auto, worker's compensation, and insurance for the park including unpaid balances from prior years. With the additional \$1,284,400, total state funding for City Park for FY 09 is approximately \$3.6M.	\$1,284,400	\$1,284,400	0
06 - 261	Culture, Recreation & Tourism	Office of Secretary	SGF funding to purchase software and hardware maintenance. Software maintenance covers annual subscription fees for virus, worm, Trojan, spyware, and spam signature files as needed to ensure that computer systems avoid infection or degraded performance by spotting malware, spyware, and spam and stopping it before it infects the servers and users' computers. Hardware maintenance is an annual fee paid to ensure that if a hardware component breaks, it will be fixed or replaced. Hardware maintenance is provided for the main router, pix firewall, Irism and Barracuda appliances, 6 year old servers that exhausted their initial 3 year maintenance provided when they were purchased.	\$57,304	\$57,304	0
06 - 264	Culture, Recreation & Tourism	Office of State Parks	Provides operating costs and staffing associated with the LA Arboretum expansion. The expansion will serve as a new visitors center for the Arboretum & Chicot State Park. It will include office space, exhibit space, theater, lecture hall, and a classroom for interpretive purposes. This building replaces the existing visitors center, which is located closer to Chicot, and will serve and enhance both sites. Funds will also be used to provide 3 additional staff required to operate the expanded facility, interpretive programs, and site maintenance. Positions include an interpretive ranger, horticulturist, and parks buildings/grounds attendant.	\$238,213	\$238,213	3
06 - 264	Culture, Recreation & Tourism	Office of State Parks	Provides SGF funding for the following special legislative projects: Logansport for a walking trail (\$55,000); Port Barre for the Veteran's Memorial Park (\$10,000); and St. Charles Parish for improvements to the Wetlands Watchers Park in Norco (\$200,000).	\$265,000	\$265,000	0
06 - 265	Culture, Recreation & Tourism	Office of Cultural Development	Increases funding for statewide arts grants through the LA Division of the Arts.	\$297,284	\$297,284	0
06 - 267	Culture, Recreation & Tourism	Office of Tourism	Provides funding from the Statutory Dedicated Tourism Promotion District Fund to enhance advertising and marketing tourism initiatives. This will aid in the promotional and publicity endeavors focusing on the diverse cultural and recreational assets of the state. The CRT continues to inform the public that, in the aftermath of hurricanes Katrina and Rita, LA is ready to welcome tourists for an enjoyable recreational experience. Additionally, the CRT continues to aggressively market the state for businesses and conventions. With this funding approximately \$11.7M is allocated for the Marketing Program for FY 09.	\$0	\$2,863,425	0
Major Enhancements for Culture, Recreation & Tourism				\$2,142,201	\$5,005,626	3
07 -	Transportation & Development		Provides Transportation Trust Fund-Regular (TTF-Regular) funding for the following OIT projects: <i>Administration - \$560,106</i> 1) Replacement of 3-5 year old PC workstations statewide which are no longer under warranty. \$240,000. 2) Data Domain Expansion will increase Department of Transportation & Development's (DOTD) storage area (network storage and backup capacity) to accommodate server growth. As the number of server-based applications grow at DOTD, so does the need for storage. The OIT standards for storage will be followed. \$237,739 3) Statewide plotter replacement will consist of replacing 7 year old equipment at district offices and DOTD HQ complex. Old plotters are having increased repair issues and are much slower than the new 36" plotters. \$82,367 <i>Engineering - \$239,242</i> Cisco Network Infrastructure project will enable the DOTD to utilize the high speed fiber optic network connections that are currently available in the state's metropolitan areas with new network switches that are required to interface with modern standardized providers' equipment. New network switches are also needed to replace old ones at DOTD district remote sites. Total funding appropriated for Information Technology Projects for FY 08 was \$1,248,378. Source of funding is TTF-Regular.	\$0	\$799,348	0
07 - 273	Transportation & Development	Administration	Increases professional services to support the administrative and legal needs of the DOTD. Additional funding will support unexpected cost of special needs and projects in relation to administrative matters, such as legal fees and cooperative endeavor agreements with other states. Additional funding was needed in FY 08 to support unexpected costs for a cooperative endeavor agreement with the state of Mississippi related to the potential relocation of the CSX railroad. \$500,000 was expended in FY 07 for this purpose. Also, additional funding was needed to support a contract with Oats & Hudson for litigation and critical analysis of policies and procedures on Hurricane Katrina. Source of funding is TTF-Regular.	\$0	\$297,240	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
07 - 273	Transportation & Development	Administration	<p>This adjustment will increase operating services to provide for increased maintenance of property and equipment, rentals, advertising, dues and subscriptions, and other operating services in the Office of Management & Finance (OMF). Source of funding is TTF-Regular. The OMF total operating services budget for FY 08 was \$2,695,630. This additional funding will bring the total budget for operating services for FY 09 to \$3,938,263. Increased expenditures are related to:</p> <p>1) Advertising - cost to advertise in newspapers, national publications and on electronic job boards (ASCE, ITE, Monster, etc.) has increased considerably. Print rates and online rates range from \$250 - \$1,500 depending upon the length, size and frequency of ads. In addition, there has been an increase in the number of requests to advertise by hiring managers for difficult to fill jobs such as engineers, marine engineers, and information technology.</p> <p>2) Career Fair Registration Fees - Universities, technical colleges, business colleges, and public career fair registration fees have increased. Registration fees for government and nonprofit organizations to participate in career day events range from \$50 - \$500. The DOTD anticipates participating in more career fairs statewide and out-of-state due to the difficulty in filling specialty jobs.</p> <p>3) Refreshments/Meals - The DOTD notes that it typically serves a light meal and refreshments to its attendees when hosting an information session on a university campus. The DOTD is participating more in these activities as part of its recruiting activity.</p>	\$0	\$1,242,633	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Increases professional services for 2 federal grants (\$193,875) related to dam safety and floodplain safety; and state funds (\$1,465,025 Statutory Dedicated TTF-Regular) for various ongoing projects related to breach analysis and inspections of state-owned dams, floodplain management projects, and updating the State's Emergency Action Plan.	\$0	\$1,658,900	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Coastal Restoration Program. IAT from DNR which has requested the DOTD's Water Resources & Intermodal Program to participate in the Coastal Restoration Program. The funding source for the IAT is the Wetlands Conservation & Restoration Fund and will provide for the implementation of the Coastal Protection & Restoration Authority (14 positions) and associated expenses.	\$0	\$2,062,559	14
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Provides funding to the Water Resources and Intermodal Program for St. Charles Parish for drainage improvements in the community of Montz.	\$200,000	\$200,000	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Funding for the 19th Levee District for purchase of a storage building.	\$75,000	\$75,000	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Funding for the town of Simpson water system for construction, improvements and expansion.	\$50,000	\$50,000	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Funding to the Vernon Parish Police Jury for the West LA Water System.	\$50,000	\$50,000	0
07 - 276	Transportation & Development	Office of Engineering	<p>Provides SGR funding for an increase in other charges related to contract maintenance and landscaping right-of-way maintenance (CCCD-Bridge) related to Act 34 of 1994, Act 59 of 1998 and Act 729 of 2006. Contract maintenance with Employment Development Services (EDS) for mowing and trash pickup within the route of US 90B and General DeGaulle Drive is increasing by 8.7%. In addition, the Violation Processing Center, which originally produced and mailed violation notices, processed payments and provided customer service, has been expanded. It will now include call service to sell toll tags and answer questions related to toll tags. Also, increased cost of contract maintenance for the right-of-way on US 90B and LA 45 for westbank expressway (pothole and overlay) has increased. Source of funding is toll revenue.</p> <p>The FY 08 budget for contract maintenance was \$3,705,961 including \$762,322 in retained funds. The majority of these expenditures are made with toll revenue.</p>	\$0	\$1,200,982	0
07 - 276	Transportation & Development	Office of Engineering	Increases the operating services to cover increases in utilities, janitorial fees, cell phone service, license fees, and calibration of aerial cameras in the Engineering & Operation Program. FY 08 budget for operating services was \$5,704,806. Source of funding is TTF-Regular.	\$0	\$238,850	0
07 - 276	Transportation & Development	Office of Engineering	Increases funding to reflect additional professional service needs for FY 09 in the Engineering & Operations Program. Professional service contracts will increase in price for FY 09 for the LTRC (LA Transportation Resource Center) training courses and system maintenance on the Permitting Electronic Routing Bridge Analysis (PERBA) permitting and e-ticketing system for the Weights & Standards Section. The contract with IBM for the PERBA system maintenance increases from \$222,429 to \$397,608 and various providers for the LTRC training from \$709,454 to \$867,392. Source of funding is TTF-Regular.	\$0	\$333,117	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

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07 - 276	Transportation & Development	Office of Engineering	Increases funding to the Marine Trust Program associated with a grant from the Federal Transit Authority for ferry maintenance.	\$0	\$325,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding to the District Operations Program for the city of Gonzales for intersection improvements. Additionally, Schedule 20 -945 allocates an additional \$200,000 to the city of Gonzales for this purpose.	\$250,000	\$250,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding to the District Operations Program for improvements on LA Hwy 384 (Big Lake Road).	\$380,000	\$380,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding to the District Operations Program for East Baton Rouge Parish for improvements to the Florida Blvd. and Sherwood Blvd. intersection.	\$100,000	\$100,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding to the District Operations for East Baton Rouge Parish for improvements to the Jones Creek Road and Coursey Blvd. intersections.	\$100,000	\$100,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding to the District Operations Program for East Baton Rouge Parish for improvements to Coursey Blvd. between Airline Hwy and Jones Creek Road.	\$400,000	\$400,000	0
07 - 276	Transportation & Development	Office of Engineering	Increases funding to Bossier Parish for traffic congestion relief on LA Hwy 511.	\$100,000	\$100,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding for St. Charles Parish for repairs to the Spillway Road in the Bonnet Carre Spillway.	\$250,000	\$250,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding for St. John Parish for planning and engineering for the Woodland Road Extension.	\$300,000	\$300,000	0
07 - 276	Transportation & Development	Office of Engineering	Funding for the city of Thibodaux for planning and engineering for Tiger Drive Bridge.	\$250,000	\$250,000	0
Major Enhancements for Transportation & Development				\$2,505,000	\$10,663,629	14
08A - 400	Corrections	Administration	Adult Services - Inpatient hospital stays for inmates can range from \$25,000 to \$100,000 per episode. The number of inpatient hospital stays is increasing due to an aging population and an increase in the number of inmates with serious medical conditions. SGF funding is provided for 10 additional hospital stays assuming an average cost of \$50,000 per episode.	\$500,000	\$500,000	0
08A - 401	Corrections	C. Paul Phelps Correctional Center	Increased SGF funding for overtime payments for Correction Security Officers (CSOs) and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$360,632	\$360,632	0
08A - 402	Corrections	LA State Penitentiary	Auxiliary Account - Increase SGR due to projected increases in sales by the Canteen Program. The Canteen Program has continuously not had enough inventory to complete every canteen order placed by the inmates. As a result, the program has increased the prices it charges for goods to the inmates. The additional monies collected will be used to replenish the inventory of items sold.	\$0	\$1,000,000	0
08A - 402	Corrections	LA State Penitentiary	Additional SGF funding for the ferry contract at LA State Penitentiary. The ferry is a necessary service to ensure that officers have a reasonable way to get to work. Because the cost of fuel and repairs have increased, the contractor is forced to pass that cost to the agency. This ferry transports LSP employees across the Mississippi River from St. Francisville to New Roads. The current projected cost for the professional services contract for ferry services for FY 09 is \$1,158,375.	\$200,000	\$200,000	0
08A - 402	Corrections	LA State Penitentiary	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$5,815,759	\$5,815,759	0
08A - 402	Corrections	LA State Penitentiary	Provides funding from the Overcollections Fund for a replacement incinerator. The existing incinerator is deteriorated and can no longer be repaired. If the facility does not have an operational incinerator it will be forced to contract out garbage collection. Due to the size of the facility, it is more cost effective to dispose of garbage with an incinerator at the facility.	\$0	\$1,300,000	0
08A - 405	Corrections	Avoyelles Correctional Center	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$293,021	\$293,021	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

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08A - 405	Corrections	Avoyelles Correctional Center	SGF funding provided for increased costs for required trips to Huey P. Long Medical Center and LSU Medical Center for medical treatment of inmates. Due to the aging inmate population and the associated increased medical problems along with the increase in inmates with serious health problems, expenses for hospital trips for inmates have increased.	\$99,244	\$99,244	0
08A - 406	Corrections	LA Correctional Institute for Women	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$142,620	\$142,620	0
08A - 407	Corrections	Winn Correctional Center	SGF funding provided for increased extraordinary medical costs. The current contracts for the facility require the contractors to pay for all medical costs including inpatient hospital costs for the first 48 hours of each hospital stay by an inmate at a state-run hospital. However, if an inmate is referred for treatment at a private hospital because the necessary services are not available at a state-run hospital, the cost must be paid by the state. The average cost of treatment per episode at a private facility is \$50,000.	\$150,000	\$150,000	0
08A - 407	Corrections	Winn Correctional Center	Provides funding to the Purchase of Correctional Services Program for a 2.9% inflation adjustment for 1,461 beds.	\$478,323	\$478,323	0
08A - 408	Corrections	Allen Correctional Center	SGF funding provided for increased extraordinary medical costs. The current contracts for the facility require the contractors to pay for all medical costs including inpatient hospital costs for the first 48 hours of each hospital stay by an inmate at a state-run hospital. However, if an inmate is referred for treatment at a private hospital because the necessary services are not available at a state-run hospital, the cost must be paid by the state. The average cost of treatment per episode at a private facility is \$50,000.	\$150,000	\$150,000	0
08A - 408	Corrections	Allen Correctional Center	Provides funding to the Purchase of Correctional Services Program for a 2.9% inflation adjustment for 1,461 beds.	\$478,323	\$478,323	0
08A - 409	Corrections	Dixon Correctional Institute	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$1,123,389	\$1,123,389	0
08A - 409	Corrections	Dixon Correctional Institute	SGF funding provided for an increase in the cost of electricity and natural gas obtained from East LA State Hospital. Funding is for reimbursement for actual expenditures. FY 08 budget provided \$422,645 and with this enhancement, the total expenditure agreement will be \$554,950.	\$132,305	\$132,305	0
08A - 412	Corrections	J. Levy Dabadie Correctional Center	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$67,910	\$67,910	0
08A - 412	Corrections	J. Levy Dabadie Correctional Center	Auxiliary Account - Increased SGR funding provided due to projected increases in sales by the Canteen Program. The Canteen Program has continuously not had enough inventory to complete every canteen order placed by the inmates. As a result, the program has increased the prices it charges for goods to the inmates. The additional monies collected will be used to replenish the inventory of items sold.	\$0	\$100,000	0
08A - 413	Corrections	Elayn Hunt Correctional Center	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$3,944,172	\$3,944,172	0
08A - 413	Corrections	Elayn Hunt Correctional Center	The net increase in SGF funding for the Skilled Nursing Facility at Elayn Hunt Correctional Center is \$488,443. A \$1,043,679 increase in SGF provides for the annualization of operating services, supplies, and other costs associated with the new Skilled Nursing Unit. The new unit will provide an additional 273 beds. The breakdown among programs is as follows: \$345,834 Administration Program \$122,416 Incarceration Program \$575,429 Health Services Program \$555,236 in SGF was decreased for non-recurring funding for the startup costs associated with the Skilled Nursing Facility.	\$488,443	\$488,443	0
08A - 414	Corrections	David Wade Correctional Center	Auxiliary Account - Increases SGR due to projected increases in sales by the Canteen Program. The Canteen Program has had a chronic shortage of inventory to complete every canteen order placed by the inmates. As a result, the program has increased the prices it charges for goods to the inmates. The additional monies collected will be used to replenish the inventory of items sold.	\$0	\$300,000	0

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08A - 414	Corrections	David Wade Correctional Center	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$1,326,901	\$1,326,901	0
08A - 414	Corrections	David Wade Correctional Center	SGF funding provided for the increased cost of utilities at Steve Hoyle Rehabilitation Center, which is a program of David Wade Correctional Center. The cost of utilities has increased significantly (30% over budget) with no additional funding. FY 07 actual cost for utilities was \$352,470, whereas FY 08 budget was \$268,059 (difference of \$84,411).	\$84,411	\$84,411	0
08A - 416	Corrections	B.B. "Sixty" Rayburn Correctional Center	Increased SGF funding for overtime payments for CSOs and Health Services workers. Overtime expenses will increase due to the pay increase provided to CSOs and due to an increased number of overtime hours required to maintain the minimum level of coverage necessary to protect public safety and provide medical services to inmates.	\$236,823	\$236,823	0
Major Enhancements for Corrections				\$16,072,276	\$18,772,276	0
08B - 419	Public Safety	Office of State Police	Funding for a 50-man cadet class and associated expenditures, which includes expenditures for personal services, new vehicles, uniforms, guns/vests, fixed costs (includes but not limited to: firearms, officer survival training, defensive driving, duty officers, academy staff overtime, first aid supplies) and variable costs (includes funding that is transferred to the State Police Training Academy for dormitory fees, tuition and meals). Of the total cost of \$6,560,454, \$3,384,063 is one-time expenditures which can be non-recurred during the FY 10 budget development process. The one-time costs include \$2,714,900 in acquisitions and \$669,163 in IAT expenditure category for State Police Training Academy costs. By increasing the State Trooper T.O. positions within State Police by 50 for FY 09, will increase Trooper T.O. up to 1,153 of which 672 will be road patrol State Troopers. <i>The means of financing utilized to fund this will be \$4.5M SGR, \$1,803,111 Overcollections Fund and \$257,343 Riverboat Gaming Enforcement Fund.</i> The original source of the SGR is Office of Motor Vehicle (OMV) Transfer-in revenues. The expenditure breakdown is: salaries - \$1,887,900; related benefits - \$965,141; travel - \$62,500; operating services - \$22,500; supplies - \$170,000; professional services - \$68,350; IAT - \$669,163; and acquisitions - \$2,714,900. A major component of the \$2.7M in acquisitions is 50 new vehicles and associated expenditures which includes up fitting package, radar, car radio, portable radio, mobile data terminals (MDT), in car camera, tasers and stop stick. The future fiscal impact of this enhancement in FY 10 will be \$3,607,593 and \$3,676,668 in FY 11.	\$0	\$6,560,454	50
08B - 419	Public Safety	Office of State Police	SGF increase provides for equipment and necessary training academy services, supplies and training materials. This funding will be budgeted in Interagency Transfer (IAT) expenditure category and sent to the State Police Training Academy, Schedule 21-790, for training services provided. The program breakdown of these expenditures is: Traffic - \$655,932; Criminal - \$160,150; Operational - \$63,877; and Gaming - \$143,692. There is a companion adjustment within the State Police Training Academy that increases its IAT budget authority in order to receive this funding for training services. These training services were originally funded with federal monies from the Federal Anti-Terrorist Assistance Program (ATAP). This federal program of the U.S. Department of State no longer exists and these monies have been non-recurred from the FY 09 budget. Therefore, another funding source was to be identified for these continued training services.	\$1,023,651	\$1,023,651	0
08B - 419	Public Safety	Office of State Police	Provides funding for OIT projects with the Overcollections Fund. Approximately \$1M is recurring expenditures. The specific projects included within this enhancement include: *\$3,854,000 - Computer aided dispatch and e-Ticketing System: This project will seek to reduce the turnaround time for traffic violations being submitted to the clerk of courts. The FY 09 costs of this project includes \$660,000 for software costs, \$2M for one-time software costs, \$24,000 for annual hardware maintenance, \$240,000 one-time hardware costs, \$180,000 miscellaneous costs and \$750,000 professional services. <i>Of the \$3.9M for this project, \$684,000 will be recurring expenditures, while \$3,170,000 is one-time acquisitions/professional services expenditures.</i> *\$154,764 - 300 AT&T Air Cards for Mobile Data Terminals: These cards seek to increase the speed and reliability connecting on the wireless network. <i>This will be a recurring expenditure in subsequent fiscal years.</i> *\$88,000 - 700 MHz Radio System Console Maintenance: <i>This will be a recurring expenditure in subsequent fiscal years.</i> *\$72,000 - T1 Lines for Troop Dispatch: The State Troops in the northern portion of Louisiana will be the beneficiary of these lines, which will allow 6 Troops to be connected between the new 700 MHz system and the master communication site. <i>This is a recurring expenditure.</i> *\$540,000 - 6 700 MHz Consoles: These consoles are for north LA Troops to communicate on the new 700 MHz communication system. <i>This is a one-time expenditure.</i> Information presented is based upon IT-10 reports from the Division of Administration-Office of Information Technology (OIT). *\$226,464 - additional funding for State Police's OIT projects (<i>excess budget authority based upon IT-10s submitted to OIT</i>).	\$0	\$4,935,228	0
08B - 419	Public Safety	Office of State Police	SGF funding for fuel and maintenance expenditures associated with the State Police Air Support Unit. The projected FY 09 costs exceed FY 08 budget for fuel and maintenance. The FY 08 Air Support budget was \$3.9M. The State Police Air Support Unit currently maintains the following aircrafts: 1979 Cessna 310, 1982 Cessna 182, 1986 Cessna 172P, 1979 Cessna 172N, 1982 Cessna 172, 1980 Bell Jet Ranger, 1996 Bell Longranger, 1972 Bell OH-58, 1969 Bell OH-58, 1968 Bell OH-58, and 2004 Bell 430.	\$857,421	\$857,421	0

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08B - 419	Public Safety	Office of State Police	<p>Statutory Dedicated funding from the Overcollections Fund for one-time expenditures for the State Police Crime Lab. The expenditures include: equipment for new facility, phone system and moving expenses. The State Police Crime Lab is expanding by 18,000 sq. ft. According to the State Police Crime Lab, during last calendar year the lab received 19,831 requests for analysis and completed approximately 76%. The total case backlog of the Crime Lab is 3,756 and the total number of requests not yet worked is 11,496. The average day turnaround time for a DNA request is approximately 225 days. Based upon the information provided in Act 19, the State Police will have approximately \$11.1M in total funding for FY 09. The MOF breakdown of such funding is as follows: \$2,450,000 - SGF, \$4,482,100 - SGR, \$3,573,913 - Criminal Identification Fund, \$564,575 - Riverboat Gaming Enforcement Fund, and \$35,508 - DWI Testing & Maintenance Fund.</p> <p>NOTE: Included within Act 511 (HB 1287) of 2008 is \$750,000 SGF for operational expenditures within the State Police Crime Lab.</p>	\$0	\$1,814,387	0
08B - 419	Public Safety	Office of State Police	<p>Statutory Dedicated funding in the amount of \$1,499,973 from the Overcollections Fund and \$4,499,919 in Federal funds from the U.S. Department of Justice, Community Oriented Policing Services (COPS) grant. The \$1.5M funded from the Overcollections Fund is the state match required for this grant. This grant, awarded to State Police in September 2007, will provide for the purchase and installation of communications equipment for the 700 MHz statewide interoperable communication system. The specific acquisitions to be purchased with the grant monies include:</p> <p>6 - 700 MHz 9 Channel Repeaters - \$2,646,000 581 - P25 Portable Radios - \$1,452,500 12 - Single Channel High Speed Data Site 700 MHz - \$1,112,904 Project Management & installation - \$780,000 COPS Grant Training - \$8,488</p>	\$0	\$5,999,892	0
08B - 419	Public Safety	Office of State Police	<p>Provides an increase in IAT from the Statewide Interoperable Communication System Executive Committee (SIEC) for maintenance expenditures associated with the new 700 MHz communication system (Interoperability Solution). The new 700 MHz communication system is fully operational in all parishes south of the I-10 corridor, Southeast LA and within Orleans, Jefferson, Plaquemine and St. Bernard parishes. State Police anticipates the Baton Rouge Metro Area to be operational on the new 700 MHz system by April 2008. Overall, since FY 07 there has been approximately \$21.3M in total funding appropriated for interoperability expenditures (FYs 07 & 08). Of this \$21.3M, approximately \$4.8M has been allocated to State Police in FY 08. By increasing the IAT budget authority in FY 09, there will be approximately \$8.4M budgeted in FY 09 for communication system maintenance expenditures. The total need in FY 09 for overall interoperability expenditures is \$33.7M. <i>However, the Senate Finance Committee reduced the overall FY 09 appropriation by \$10M. This reduction will not impact the portion, \$8.4M, being sent to State Police for maintenance expenditures in FY 09.</i> Approximately \$14M was budgeted in FY 08 of which \$4.8M was for maintenance conducted by State Police. State Police is anticipating maintenance costs in FY 10 to be \$10.4M, which is an additional \$2M and is anticipating maintenance costs in FY 11 to be \$12.4M, which is an additional \$2M over the FY 10 level.</p>	\$0	\$3,644,355	0
08B - 419	Public Safety	Office of State Police	<p>Annualization of BA-7 #259-R. The Joint Legislative Committee on the Budget (JLCB) approved a BA-7 (12/07) for State Police's Gaming Program in the amount of \$244,893 Pari-Mutuel Live Racing Facility Control Fund and 5 T.O. positions in order to oversee the statutory and regulatory gaming mandates and operations at the Fair Grounds racetrack slot casino operations within Orleans Parish. Act 352 of 2003 added Orleans Parish to the list of parishes that allow racing facilities to be licensed to conduct slot machine gaming at Churchill Downs, who is the current owner of the Fair Grounds. Other parishes that allow slot machine gaming at the racetracks include St. Landry Parish, Bossier Parish and Calcasieu Parish. Originally, the slot machines within Orleans Parish were to be phased in over a 3-year period from 2003 - 2005. According to the agency, the original phase-in plan never took place due to Hurricane Katrina. Also, Act 591 of 2006 removes language in the statute that provided for the phase-in, but retains the language authorizing a maximum of 700 slot machines. Churchill Downs began operating 250 slot machines in September 2007 with the goal of the maximum under the law of 700 slot machines in 2008. State Police is in need of this funding and associated 5 T.O. positions to assist in regulating these slot machines. This request was not budgeted during the FY 08 budget development process because the operational unknowns associated with the Fair Grounds in the aftermath of Hurricane Katrina. Churchill Downs notified State Police in July 2007 of its anticipated reopening in September 2007.</p>	\$0	\$429,622	5

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08B - 419	Public Safety	Office of State Police	The JLCB approved a BA-7 (12/07) for the Criminal Investigation Program in the amount of \$644,484 from the Insurance Fraud Investigation Fund. Approval of the BA-7 in December 2007 reduced the projected FY 08 fund balance for the Insurance Fraud Investigation Fund from \$1.01M to \$490,000. The projected fund balance will not revert to the SGF and will be available for expenditure in FY 09. Thus, based upon current projections, there will be \$3.25M in total revenue for expenditure from this statutory dedication in FY 09. However, the recommended funding level for FY 09 is \$2,245,455. Assuming the projected FY 09 revenues of \$2.8M are correct, the current projected FY 09 ending fund balance for this statutory dedication is \$1,002,435. The State Police Insurance Fraud Unit currently has \$349,768 SGF funding in its FY 08 expenditures with the remaining being the Insurance Fraud Investigation Fund. <i>Contained in the BA-7 write-up by the Legislative Fiscal Office (LFO) in December 2007 is the recommendation that a MOF substitution be included within the FY 09 Executive Budget Recommendation reducing the SGF in the amount of \$349,768 and increasing the Insurance Fraud Investigation Fund in a like amount. Thus, State Police's Insurance Fraud Unit will be completely supported by non-SGF revenue, as has been the practice historically. This MOF substitution is not included in Act 19 (HB 1) of 2008. The LFO still recommends this MOF substitution be included in FY 09.</i> The fund projections above include the budget reductions contained within Act 511 (HB 1287) of 2008 within the Insurance Fraud Investigation Fund. Those reductions include: \$42,670 within the Department of Public Safety and \$16,832 within the Department of Justice. The specific expenditure breakdown of the \$303,000 is as follows: \$180,000 - salaries; \$20,000 - travel; \$13,000 - operating services; and \$90,000 - other charges.	\$0	\$303,000	0
08B - 419	Public Safety	Office of State Police	Provides funding for state trooper expenditures associated with the National Conference of State Legislatures (NCSL) meeting in New Orleans, LA in July 2008. The specific dates of the conference were July 21-26.	\$81,331	\$81,331	0
08B - 419	Public Safety	Office of State Police	Funding within the Operational Support Program from the Overcollections Fund for training expenditures. This adjustment, added by the Senate Finance Committee, is part of the Colonel's plan to have all State Police training expenditures in State Police's operating budget as opposed to those specific expenditures being expended in the Ancillary budget unit (21-790 - State Police Training Academy).	\$0	\$1,000,000	0
08B - 422	Public Safety	Office of State Fire Marshal	The JLCB approved a BA-7 (12/07) for the State Fire Marshal in the amount of \$310,380 SGR and 4 T.O. positions for expenditures associated with the implementation of Act 364 of 2007, the Industrialized Building Act. This enhancement represents an annualization of this approved December 2007 BA-7. The means of financing for this adjustment is \$355,000 LA Fire Marshal Fund and \$38,683 SGR. The Industrialized Building Act provides for guidelines associated for compliance with the building code of commercial modular building units which arrive at a site of installation with all of its electrical, mechanical, plumbing and other systems already built into the unit and not able to be inspected at the site without disassembly or destruction. Act 364 provides that the State Fire Marshal will provide by rule for registration and regulation of manufacturers or builders of industrialized buildings and for the State Fire Marshal or a registered 3rd party inspector to inspect the modular building construction. The basic purpose of Act 364 is to prove that these units are code compliant before the units are delivered to LA retailers or the State Uniform Building Code would mandate these units be torn apart to determine code compliance. NOTE: The State Fire Marshal submitted a Fiscal & Economic Impact Statement to promulgate the administrative rules for the Industrialized Building Code (Act 364 of 2007).	\$0	\$393,683	4
08B - 422	Public Safety	Office of State Fire Marshal	Funding for the Caddo Fire District 4 represents a \$10,000 enhancement over FY 08 budget of \$25,000 for fire safety equipment. At the Executive Budget phase, the \$25,000 was non-recurring and the Senate Finance Committee added \$35,000 in funding, which nets to an enhancement of \$10,000 over FY 08 budget.	\$10,000	\$10,000	0
08B - 422	Public Safety	Office of State Fire Marshal	Funding for the Frierson Desoto Fire District 9 for fire safety equipment. The DOA replaced the SGF with Statutory Dedicated funding from the Overcollections Fund in a like amount as pertained in preamble adjustments by the DOA. Thus, this equipment will now be funded with the Overcollections Fund in FY 09 and not the SGF.	\$100,000	\$100,000	0
08B - 422	Public Safety	Office of State Fire Marshal	Funding for the Mansfield Fire Department for purchase of equipment. The DOA replaced the SGF with Statutory Dedicated funding from the Overcollections Fund in a like amount as pertained in preamble adjustments by the DOA. Thus, this equipment will now be funded with the Overcollections Fund in FY 09 and not the SGF.	\$12,500	\$12,500	0
08B - 422	Public Safety	Office of State Fire Marshal	Annualization of an April JLCB approved BA-7. The BA-7 increased the budget authority within the 2% Fire Insurance Fund in the amount of \$235,996 to pay the increased insurance premiums of 14,000 volunteer firefighters as specifically provided for within R.S. 40:1593. This statute provides for a portion of the fire insurance premium tax, R.S. 22:1583, to be utilized to fund the payment of insurance premiums for a group insurance policy to provide medical benefits, death benefits and burial benefits for volunteer firefighters. The vendor for this insurance policy is the Hartford Group, which had not requested an increase since 5/1/05. The State Fire Marshal rebid the contract for one year, 5/1/08 to 4/30/09, and the bid came back in the amount of \$555,996, an increase of \$235,996. With this adjustment being added in Senate Finance Committee, there will be \$555,996 appropriated from the 2% Fire Insurance Fund in FY 09.	\$0	\$235,996	0
Major Enhancements for Public Safety				\$2,084,903	\$27,401,520	59

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
08C - 403	Youth Services	Office of Youth Development	Adjustment to authorized salaries of cabinet appointees and adds one position for appointees.	\$109,417	\$109,417	1
08C - 403	Youth Services	Office of Youth Development	Funding for training services from the Missouri Youth Services Institute. This is a line item appropriation to Missouri Youth Services Institute to aid the Office of Youth Development with Juvenile Justice Reform, continued implementation of LAMOD (LA model to care for youth in secure care, which features smaller dorms and a "homelike" environment), and training of employees.	\$350,000	\$350,000	0
08C - 403	Youth Services	Office of Youth Development	Funding to the Administration Program for distribution of a pay increase (\$1,019 plus retirement) for eligible certificated personnel and the associated employer retirement contribution to the institutions within Office of Youth Development. Each secure care facility operates a school that operates 50-weeks a year.	\$91,802	\$91,802	0
Major Enhancements for Youth Services				\$551,219	\$551,219	1
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Additional SGF funding for an increase in rent. In August 2007, the JPHSA leased an additional 5,911 sq. ft. at 3101 W. Napoleon, Metairie to provide adult behavioral health clinic services, adult and child/adolescent community support services, administrative services, developmental disability services, and full pharmacy services. The cost to lease office/clinical space has increased since the hurricane and the JPHSA has projected that this funding is needed for FY 09.	\$83,282	\$83,282	0
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Provides additional funding to provide crisis response, assertive community treatment, and adult co-occurring mental health/substance abuse services. FY 09 recommended funding for these activities is \$1,290,294.	\$250,002	\$250,002	0
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	This adjustment increases funding for the School Therapeutic Enhancement Program (STEP).	\$525,000	\$525,000	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Additional SGF funding for behavioral health holding beds for patients with mental health issues that come to hospitals and are placed in such beds for up to 24 hours. The beds are located at the Lallie Kemp and Bogalusa hospital emergency rooms (ER), and are set-aside exclusively for mental health patients but are part of the ER extension. The beds are available for assessment of clients in need of behavioral health services. Based on the number of clients served so far this fiscal year, The FPHSA projects serving 203 indigent clients with the holding beds in FY 09.	\$800,000	\$800,000	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Adjusts IAT funding from the Payments to Public Providers Program to reflect FY 09 Title 19 projected revenue.	\$0	\$187,498	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Additional SGF funding for physicians and developmentally disabled clients to allow the FPHSA to comply with physician/client ratio requirements. This funding will allow FPHSA to employ 2 psychiatrists (either contract or hire @ \$220,004.50 each) and 3 community service specialists (\$62,119 each) to provide outpatient mental health services to individuals with developmental disabilities.	\$626,366	\$626,366	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	This adjustment provides funding to the St. Tammany Association of Retarded Citizens.	\$15,000	\$15,000	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Additional SGF funding for rental of 4,800 sq. ft. of office space to consolidate operations in the same geographic area. Staff is currently housed in 4 different locations due to lack of space to house them in the existing space.	\$110,400	\$110,400	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Adjusts IAT funding from the Payments to Public Providers Program to reflect FY 09 Title 19 projected revenue.	\$0	\$509,483	0
09 - 303	Health & Hospitals	Developmental Disabilities Council	This adjustment provides Federal funds for an anticipated increase in the Federal Developmental Disabilities Determination Services Grant Award. Approximately 90% of the increase will be used on Council plan activities and initiatives and 10% on various operating expenses and equipment expenditures.	\$0	\$72,683	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	This adjustment increases IAT budget authority to provide additional funding for an increase in primary care services in the Greater New Orleans hurricane impacted areas. The source of IAT is federal funding from the CMS Primary Care Access & Stabilization Grant received from Medical Vendor Payments (MVP). The decrease in SGR reflects funding from LA Public Health Institute that will now be provided directly from MVP.	\$0	\$4,370,509	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 305	Health & Hospitals	Medical Vendor Administration	Funding (\$500,000 SGF and \$500,000 Federal) for operational costs for a Disease Management Program covering asthma, diabetes, and congestive heart failure. The source of Federal funding is the Medicaid Administration grant from the Centers for Medicare & Medicaid Services (CMS).	\$500,000	\$1,000,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Funding (\$533,974 SGF and \$573,902 Federal) for administrative costs, and 5 positions, associated with the development of a Provider Services Network (PSN) model, planned as a pilot in one region of the state. The source of Federal funding is the Medicaid Administration grant from the CMS.	\$533,974	\$1,107,876	5
09 - 305	Health & Hospitals	Medical Vendor Administration	Funding (\$29,845 SGF and \$89,535 Federal) for 1 position responsible for the development and coordination of Pay for Performance project targeting primary care providers who meet or exceed various pre-established performance goals. The source of Federal funds is Title 19 federal participation funding.	\$29,845	\$119,380	1
09 - 305	Health & Hospitals	Medical Vendor Administration	Funding (\$1M SGF and \$500,000 Federal) to study and begin implementation of a Disease Management Program for a Behavioral Pharmacy Program, which includes Personal Digital Assistants (hand held computers) for behavioral physicians to allow for electronic prescribing and tracking. The DHH has indicated that the details of this new program have yet to be finalized.	\$1,000,000	\$1,500,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Funding (\$1,885,465 Statutory Dedications and \$1,885,465 Federal) for administrative costs associated with the implementation of 2,400 New Opportunity Waivers (NOW) added in FY 09. Funding will be used to hire 5 additional Medicaid Program Monitor positions (\$415,715), increase the Unisys Contract (\$2,235,710), and provide additional funding to contract for licensing, certification, and monitoring of providers (\$1,119,505). The source of the Statutory Dedicated funding is SGF revenues deposited into the NOW Fund created by Act 481 of 2007.	\$0	\$3,770,930	5
09 - 305	Health & Hospitals	Medical Vendor Administration	Provides Federal funding for the administrative costs associated with the 2nd year implementation of Money Follows the Person federal grant. These are pass through funds and will be transferred to the Office of Aging & Adult Services (\$206,211) and the OCDD (\$204,744) to operate the grant. The grant will assist in offering alternative services to institutional care.	\$0	\$410,955	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Additional funding (\$1,232,712 SGF and \$1,232,712 Federal) for the Unisys contract due to anticipated additional claims. The DHH currently contracts with Unisys, which is DHH's fiscal intermediary for processing Medicaid claims. The cost of the contract is partially based on the number of annual claims. The contractual rate to Unisys is \$.44111 per paid claim. The DHH anticipates an additional 115,287 recipients for FY 09. 115,287 new recipients x avg. 4.04 claims per person per month x12 months x \$.44111 contractual rate per claim The existing Unisys contract totals \$31,399,208. This adjustment increases the contract to \$33,864,632 for FY 09. The source of Federal funding is the Medicaid Administration grant from the CMS.	\$1,232,712	\$2,465,424	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Provides funding for the annualization of the administrative costs associated with the LaChip Phase V expansion to 250% of the FPL (\$361,361 SGF and \$1,456,351 Federal).	\$361,361	\$1,817,712	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Provides funding for a project management team to manage the Medicaid Management Information System (MMIS) replacement project. The source of IAT is DHH overcollections being transferred from MVP to MVA.	\$0	\$560,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Provides funding for the replacement of the 25 year old MEDS system.	\$0	\$5,468,310	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Provides funding for the development and implementation of a uniform provider reporting system for hospitals and other providers. DHH has indicated that this new system will serve as a data repository for the purposes of: 1) provider benchmarking and accountability; 2) trend reporting on provider operations; 3) making data available to health care consumers. The source of IAT is DHH overcollections transferred from MVP to MVA.	\$0	\$500,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding for 2,025 additional New Opportunity Waiver (NOW) slots for FY 09. This waiver offers home and community based care by providing alternative services to institutional care for persons who are mentally retarded or have other developmental disabilities. Persons must meet certain qualifications and slots are limited. This adjustment represents funding for 12 months. <i>As a result of Act 481 of 2007, the New Opportunities Waiver Fund was created. According to that legislation, the fund receives 12% of all recurring SGF revenue recognized by the Revenue Estimating Conference in excess of the official forecast at the beginning of the current fiscal year, up to a maximum dedication of \$50M in any fiscal year.</i> The revenues in the fund are required to be appropriated in the ensuing fiscal year for additional waiver slots in the NOW Program. <u>HB 1 Original included funding (\$164.5M) for 2,025 new slots. Senate Finance amendments reduced this enhancement by \$102.1M, resulting in \$62,405,123 in new funding for FY 09 for additional NOW slots.</u></p> <p>In FY 08 the total funded slots were 6,542. As of the May 2008 Medicaid Monthly Forecast Report, total NOW expenditures for FY 08 were projected to be \$321.3M. The Statutory Dedicated funding is from the New Opportunities Waiver Fund (\$17,723,055), and the Federal funds are Title 19 federal participation funding (\$44,682,068).</p>	\$0	\$62,405,123	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Additional funding (\$2,030,163 SGF and \$8,181,925 Federal) for payments to health plans associated with the coverage of uninsured children from households with incomes between 200% and 250% of the FPL (Phase V LaChip expansion). LaChip is LA's "State Health Insurance Program" for eligible children up to age 19 whose family incomes are too high to qualify for benefits under regular Medicaid. Under legislative authority, Act 407 of 2007, the DHH requested and was granted approval from the CMS to expand LaChip eligibility from 200% - 250% of the federal poverty level (FPL). Phase V will not be a Medicaid expansion (similar to the other phases), <u>but a separate state program</u>. The DHH anticipates contracting with the Office of Group Benefits (OGB) as the 3rd party administrator to process and make claims payments, and provide member support and provider relations.</p> <p>As of 7/31/08 there were 123,602 children enrolled in LaChip. The DHH estimates an additional 6,000 children may be enrolled as a result of the Phase V LaChip expansion (funding adjustment represents 12 months of full funding). The DHH estimates total LaChip payments for FY 09 to be approximately \$200.4M (\$160.5M Federal, \$39.4M SGF, and \$400,000 SGR from family premiums). The source of Federal funds is Title 21 federal participation funding (19.88% state, 80.12% federal match rate).</p>	\$2,030,163	\$10,212,088	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$1,341,531 SGF and \$3,347,562 Federal) to provide for a Provider Service Network (PSN) health care delivery model. The source of Federal funds is Title 19 federal participation funding. The PSN is anticipated to support the Medical Home model of care (Act 243 [SB 1] of 2007). A PSN is a healthcare network operated by a health care provider or group of affiliated providers for the purpose of administering and managing healthcare delivery for members under a health plan.</p> <p>The DHH has indicated that various initiatives associated with this proposed pilot program have yet to be determined or completed. These include the following: 1) the financial model (fee for service or pre paid per member); 2) pilot location; 3) identification of provider groups or an individual provider; 4) anticipated number of individuals served under the plan(s); and 5) development of state guidelines for PSNs.</p> <p>Note: It is anticipated that this pilot will require the CMS approval through a demonstration waiver or state plan amendment.</p>	\$1,341,531	\$4,689,093	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>New and expanded service funding to provide for Multi-Systematic Therapy (MST) as a Mental Health Rehabilitation service. MST is an evidence-based, intensive family and community based treatment for 12 - 17 year olds which addresses the various causes of serious anti social behavior in juveniles occurring in their natural settings (home and school), and promotes behavioral changes (decrease delinquency, substance abuse, violence, and criminal behavior). The DHH projects that 315 children are anticipated to be served with this new service in FY 09. These services may be provided by any group of masters level licensed behavioral practitioners. The source of IAT (\$930,339) used as match is SGF from the Office of Youth Development (OYD) and SGF (\$103,371) from the DSS. The source of Federal funds (\$2,606,115) is Title 19 federal participation funding.</p> <p>Note: This initiative will require approval from the CMS of a state plan amendment to include "MST" as a covered service under the Early and Periodic Screening, Diagnostics, and Treatment Program (EPSDT).</p>	\$103,371	\$3,639,825	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$853,878 SGF and \$2,152,734 Federal) to provide for Pay for Performance Incentives to providers that meet or exceed various pre-established performance goals. According to the DHH, the purpose of this initiative is to implement an incentive payment program to support primary care providers implementation of evidence based clinical practice standards resulting in early detection, intervention, and specific disease processes. The DHH is anticipated to develop national benchmarks for care using national standards, and outcomes will be measured with Medicaid claims data. The DHH will make additional (incentive) payments to providers that meet or exceed implemented benchmarks. <i>Pay for Performance is anticipated to be implemented with the Disease Management Program.</i> The source of Federal funds is Title 19 federal participation funding.</p>	\$853,878	\$3,006,612	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding to provide for Pay for Performance relative to the LA Health Information Exchange. According to the DHH, these funds will be used as incentive payments to physician providers that participate in the LA Health Information Exchange (LaHIE) initiative. This initiative intends to implement electronic medical record capability and utilization with the intent to increase efficiencies in managing patients. The incentive payment methodology is not yet known.</p> <p>The source of Statutory Dedication funding (\$1M) is Health Care Redesign Funds (one-time revenues) that were originally appropriated in FY 08 that are anticipated to be unspent, and re-appropriated in FY 09. The source of Federal funds (\$2,521,127) is Title 19 federal participation funding.</p>	\$0	\$3,521,127	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$2,720,331 SGF and \$6,858,299 Federal) for 375 Flex Waivers for 6 months. Historically, the Legislature has allocated separate funding for the various waiver programs. This new waiver will allow the DHH to serve individuals that qualify for any one of the following 3 developmental disability waiver options: 1) New Opportunities Waiver (NOW); 2) Children's Choice; and 3) Residential Options Waiver (ROW) based on the department's needs assessment process. The DHH has indicated that this funding will allow the Office for Citizens with Developmental Disabilities (OCDD) to complete a needs assessment for individuals coming off the Request for Services Registry (waiting list), tailor the needs of these recipients by carving out individual treatment plans, and placing them in one of the existing available waivers (NOW, Children's Choice, ROW, and EDA) with individual caps in a given year. According to the DOA, a portion of this funding is anticipated to be used for Elderly and Disabled Adult (EDA) waiver services (provides various services for the elderly in their homes as an alternative to nursing home placement). The source of Federal funds is Title 19 federal participation funding.</p> <p>Note: The allocation between Flex Waivers and EDA Waivers has yet to be determined. Furthermore, the Flex Waiver will require approval from the CMS.</p>	\$2,720,331	\$9,578,630	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$529,016 SGF and \$1,333,717 Federal) to provide for a 2.67% rate increase for federally qualified health centers (FQHCs) and rural health clinics (RHCs). The source of Federal funds is Title 19 federal participation funding. These safety net providers offer primary care services in rural and urban communities that are considered medically under-served by the federal government. The 2.67% requested rate increase is a calculation based on a 3-year average of the "Medicare Economic Increase".</p> <p>As of March 2008 there are 44 FQHCs and 101 RHCs enrolled in the Medicaid Program. Additionally, the DHH anticipates that 6 new FQHCs and 9 new RHCs will open and enroll in Medicaid in FY 09. According to the May Medicaid Monthly Financial Report, FY 08 anticipated expenditures for FQHCs total \$21.6M, and \$35.7M for RHCs.</p>	\$529,016	\$1,862,733	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding to provide for a Medicaid rate increase for Early Steps providers that serve Medicaid eligibles. Early Steps is operated by the Office for Citizens with Developmental Disabilities, is Louisiana's Early Intervention System, and provides services to families with infants from birth to 3 years (36 months) that have a medical condition that may result in a developmental delay. Services include audiology, nutrition, occupational and physical therapy, psychological services, speech and vision services, and social work. The DHH intends to increase rates paid to providers to expand the number of Early Steps providers willing to participate in the program. <u>HB 1 Original reflected \$1.54 M in funding for this rate increase, and a Senate Finance Committee amendment increased funding by \$1.1M, for a total of \$2,661,129 in FY 09.</u> The source of Federal funds is Title 19 federal participation funding.</p>	\$755,761	\$2,661,129	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$1,895,006 SGF and \$4,777,551 Federal) to provide for an increase in Mental Health Rehabilitation services. The Mental Health Rehabilitation provider moratorium was lifted effective 8/1/07. This will allow new public and private mental health providers to enroll and bill for services. These home and community based mental health services include counseling, community support, and medication management. The DHH has estimated an increase of 28 providers with an average caseload of 52 recipients (@ \$381.90 per recipient/per month) due to moratorium being lifted allowing new providers to enroll and bill Medicaid for these services. As of May 2008, the Medicaid Monthly Financial Report reflects total anticipated spending of \$31.2M for these services in FY 08. The source of Federal funds is Title 19 federal participation funding.</p>	\$1,895,006	\$6,672,557	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$21,536,512 Statutory Dedications and \$54,296,275 Federal) to provide for the extra check-write (payments to providers) in FY 09 (53 instead of 52). For FY 09, this one extra payment date will fall on 6/30/09. The Statutory Dedication source of funding is one-time revenues deposited into the Medical Assistance Trust Fund (MATF).</p>	\$0	\$75,832,787	0
09 - 306	Health & Hospitals	Medical Vendor Payments	<p>Funding (\$442,385 SGF and \$1,115,309 Federal) to provide for the mandated rate increase for Durable Medical Equipment (DME) for compliance with Section 702 of Medicare, Medicaid, and SCHIP Benefits Improvement Act (BIPA) of 2000 and LA's State Plan with the CMS. The DME represents medically necessary equipment and supplies to Medicaid eligibles. As of the May 2008 Medicaid Monthly Financial Report, the DME projected expenditures for FY 08 total \$19,745,366. The source of Federal funds is Title 19 federal participation funding.</p>	\$442,385	\$1,557,694	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

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09 - 306	Health & Hospitals	Medical Vendor Payments	Enhanced funding (\$884,413 SGF, \$18,763,829 Statutory Dedications and \$49,535,709 Federal) for nursing homes, including the following: 1) \$60,770,388 estimated for nursing home rebasing on 7/1/08. Act 694 of 2001 Regular gives DHH the authority to set the rules for re-basing nursing home rates 2 years beginning in 2004 (DHH implemented through state plan); 2) \$23,905 estimated for cost associated with nursing home Bed Buy-Back Program. Act 659 of 2004 requires the DHH to determine ways to reduce vacant nursing home beds (including Bed Buy-Back Program) and provide for Nursing Home re-basing, sprinkler system updates, and private room conversions; 3) \$3,104,235 estimated for private nursing home bed conversions; 4) \$2,171,292 estimated for payments to nursing homes for installation of sprinkler and fire suppressant devices; and 5) \$3,114,131 estimated for rate increases to Hospice providers. The source of Federal funds is Title 19 federal participation funding. The Statutory Dedication source of funding is the principal from the Medicaid Trust Fund for the Elderly. R.S. 46:2691(B)(2) allows the principal of the fund to be used as a revenue source for re-basing nursing home rates.	\$884,413	\$69,183,951	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Funding (\$822,591 SGF and \$822,591 Federal) to implement an Administrative Services Organization (ASO) to oversee all aspects of behavioral health services. Act 343 of 2007 provides that DHH establish an ASO for all behavioral health services. The DHH has indicated the intent to contract with a vendor to oversee all operations of behavioral health services, including administrative services (such as establishing and monitoring performance measures), network and provider services (ensures sufficient pool of qualified providers within geographic area), recipient and family services, quality management (measures program effectiveness), and service access and authorization (matches services to recipients' needs). The source of Federal funds is Title 19 federal participation funding.	\$822,591	\$1,645,182	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$6,281,478 SGF and \$15,836,402 Federal) for annualization of 1,500 additional Elderly Disabled Adult (EDA) Waiver slots added in FY 08. The number of waiver slots funded for FY 09 is 4,403.	\$6,281,478	\$22,117,880	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$20,985,527 SGF and \$52,907,173 Federal) for annualization of 1,500 additional New Opportunities Waiver (NOW) slots added in FY 08. The number of waiver slots funded for FY 09 is 8,567.	\$20,985,527	\$73,892,700	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$528,325 SGF and \$1,331,975 Federal) for annualization of 100 additional Supports Waiver slots added in FY 08. The number of waiver slots funded for FY 09 is 2,188.	\$528,325	\$1,860,300	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$1,192,800 SGF and \$3,007,200 Federal) for annualization of 100 additional acute psych beds added in FY 08. Total funding for FY 09 is \$20M; companion adjustments in Payments to Public Providers (\$1.8M) and Uncompensated Care Cost (\$14M) programs.	\$1,192,800	\$4,200,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$1,242,940 SGF and \$3,133,610 Federal) for annualization of 200 additional Adult Residential Care Program (ARCP) Waivers added in FY 08.	\$1,242,940	\$4,376,550	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$326,108 SGF and \$822,159 Federal) for annualization of 200 additional Children's Choice waiver slots added in FY 08. The number of waiver slots funded for FY 09 is 1,000.	\$326,108	\$1,148,267	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$3,090,105 SGF and \$7,790,545 Federal) for annualization of 200 additional Residential Options Waiver (ROW) slots added in FY 08. The number of waiver slots funded for FY 09 is 200.	\$3,090,105	\$10,880,650	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$2,802,085 SGF and \$7,064,411 Federal) for annualization of funding for 5 new FQHC's and 12 new Rural Health Clinics (RHC's) added in FY 08.	\$2,802,085	\$9,866,496	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Annualization of funding (\$511,200 SGF and \$1,288,800 Federal) for the Mental Health Emergency Room Expansion (MHERE) and Crisis Intervention Units (CIUs) added in FY 08. Total funding for FY 09 is \$10M; companion adjustments in Payments to Public Providers (\$1.2M) and Uncompensated Care Cost (\$7M) programs.	\$511,200	\$1,800,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$1,296,892 SGF and \$3,269,629 Federal) for annualization of the 4.75% inpatient rate increase to non-rural community hospitals (effective 9/1/07 per Act 6 of the 2007).	\$1,296,892	\$4,566,521	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides \$6.5M in funding for annualization of the Early Periodic Screening, Diagnostics & Treatment (EPSDT) Dental Program rate increase appropriated by the 2007 Regular Legislative Session and implemented on 11/1/07. The rate increase is budgeted for 7 months in FY 08. In addition, a House Appropriations Committee amendment added \$15M in the Private Providers Program for a rate increase for EPSDT dental services. Total additional funding for FY 09 is \$21.5M. The existing operating budget for the EPSDT Dental Program is \$66.5M. The source of Federal funds is Title 19 federal financial participation.	\$6,127,798	\$21,576,755	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$1,579,432 SGF and \$3,981,947 Federal) for annualization of the PACE (Program for All Inclusive Care for the Elderly) in Baton Rouge and New Orleans area.	\$1,579,432	\$5,561,379	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$1,312,104 SGF, \$162,671 SGR and \$3,307,979 Federal) for annualization of the costs of providing services under the Family Opportunities Act (FOA) to FOA eligibles under 12 who came into the program on or after 10/1/07; and FOA eligibles age 12 -18 who come into the program on or after 7/1/08; and implementation of premiums averaging \$25 per child per month.	\$1,312,104	\$4,782,754	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding (\$6,172,113 SGF and \$16,421,352 Federal) for annualization of the expansion of the existing LaChip Program. This adjustment reduces the number and percentage of uninsured children by enrolling those in households below 200% FPL in either LaCHIP or Medicaid, per Act 407 of 2007. FY 08 budget is \$27.1M to pay claims for 24,000 additional eligible children in Medicaid and LaCHIP, and 8,000 children in a proposed expansion of a separate SCHIP state program from 200 - 300% FPL.	\$6,172,113	\$22,593,465	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding to Public Providers Program for additional developmentalist positions at the LA Special Education Center (LSEC).	\$49,700	\$175,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding to equalize reimbursement rates for home skilled nurse services in the New Opportunities Waiver Program.	\$642,000	\$1,618,018	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides enhanced funding to increase Medicaid reimbursement rates for rotor wing ambulance services.	\$741,819	\$1,351,474	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Provides funding to restore health care services in the hurricane impacted areas. The source of Federal funds is a Primary Care Access stabilization grant from CMS.	\$0	\$20,315,376	0
09 - 307	Health & Hospitals	Office of the Secretary	Statutory Dedicated funding from the Health Care Redesign Fund for the Health Information infrastructure to develop the statewide "LA Health Information Exchange" (LaHIE). Specifically, these monies will be used to purchase hardware/software to allow interoperability of health care information between various statewide health care providers. The numbers of providers anticipated to participate, how providers will be chosen, amount and type of hardware and software purchased, and type of positions funded (7) is not yet known.	\$0	\$4,000,000	7
09 - 307	Health & Hospitals	Office of the Secretary	Provides SGF funding for the state share to be matched with approximately \$5.3M in Federal funds from the Federal Communications Commission grant (3 year grant). The intent of this grant is to establish a statewide network of health care providers with connectivity to support electronic medical records technology and telecommunication technology. The technology includes tele-health and tele-medicine applications. According to the DHH, the telecommunications infrastructure is necessary to support the ongoing development of the multiple health information exchanges in LA. The DHH has indicated that these funds will not flow through the Office of the Secretary's budget, but will be paid directly to various providers. Details on which providers will participate statewide is not yet known.	\$1,250,000	\$1,250,000	0
09 - 307	Health & Hospitals	Office of the Secretary	Provides SGF and Statutory Dedicated funding (\$11,127,886) to the Rural Hospital Coalition (RHC) for the LA Rural Hospital Information Exchange (LaRHIX). According to the DHH, these pass through funds are estimated to enable 7 additional hospitals in the LA Rural Hospital Coalition (LRHC) to implement electronic medical record technology. The intent is for these hospitals to form a hospital information exchange in order to share patient health records. Funding is anticipated to purchase HIS software, an integration engine, 3 tele-medicine systems, 3 years of software maintenance and upgrades, and operational costs of the LaRHIX. The source of the Statutory Dedicated funding is one-time revenues (FY 08 excess revenues) deposited into the Overcollections Fund.	\$2,419,137	\$13,547,023	0

NOTE: FY 08 budget contained \$10.5M in funding and enabled 7 hospitals in the RHC to implement the health information exchange software. The funding for FY 09 represents second year funding, and will allow an additional 7 hospitals to participate. The RHC proposes to add an additional 10 hospitals to the exchange, and estimates that an additional \$14.5M in future year funding would be required to include the final 10 hospitals.

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>														
09 - 307	Health & Hospitals	Office of the Secretary	100% federal grant funding from the Office of Community Development (OCD), partner with the DHH, for Permanent Supportive Housing (PSA). The PSA Program is the hurricane recovery housing program for people with disabilities. These federal grant funds will be IAT'd to the Office of Aging & Adult Services (\$6.1M), the various human service districts (\$2.2M), and the Office of Mental Health (\$1.5M). These funds are anticipated to be allocated as follows: <table style="margin-left: 20px; border-collapse: collapse;"> <tr> <td>OAAS Region 1</td> <td style="text-align: right;">\$6,110,000</td> </tr> <tr> <td>CAHSD</td> <td style="text-align: right;">\$625,000</td> </tr> <tr> <td>OMH Region 3</td> <td style="text-align: right;">\$485,000</td> </tr> <tr> <td>OMH Region 5</td> <td style="text-align: right;">\$1,040,000</td> </tr> <tr> <td>FPHSA</td> <td style="text-align: right;">\$565,000</td> </tr> <tr> <td>JPHSA</td> <td style="text-align: right;">\$995,000</td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right; border-top: 1px solid black;">\$9,820,000</td> </tr> </table> <p>According to the OCD, anticipated expenditures are based on an allocation of \$5,000 per rental unit per year. FY 08 budget contained \$5.4M for this initiative.</p>	OAAS Region 1	\$6,110,000	CAHSD	\$625,000	OMH Region 3	\$485,000	OMH Region 5	\$1,040,000	FPHSA	\$565,000	JPHSA	\$995,000	TOTAL	\$9,820,000	\$0	\$9,820,000	0
OAAS Region 1	\$6,110,000																			
CAHSD	\$625,000																			
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OMH Region 5	\$1,040,000																			
FPHSA	\$565,000																			
JPHSA	\$995,000																			
TOTAL	\$9,820,000																			
09 - 307	Health & Hospitals	Office of the Secretary	Adds funding for the implementation of a statewide email system. The DHH has indicated that this funding will enable the department to convert from Groupwise to Outlook software.	\$3,920,830	\$3,920,830	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding to the Grants Program for the Mary Bird Perkins Cancer Center for early cancer detection screenings, patient navigational services, and patient transportation.	\$50,000	\$50,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the ALS Association LA Chapter.	\$150,000	\$150,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the National Kidney Foundation of LA.	\$50,000	\$50,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the Calcasieu Community Clinic.	\$50,000	\$50,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the St. Charles Community Health Center for equipment.	\$250,000	\$250,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the town of Chatham Rural Health Clinic.	\$50,000	\$50,000	0														
09 - 307	Health & Hospitals	Office of the Secretary	Provides funding for the Family Practice Residency Program in Lake Charles. Senate Finance amendment provided \$250,000 in funding for this program, which is a \$50,000 increase from the FY 08 budget.	\$50,000	\$50,000	0														
09 - 320	Health & Hospitals	Office of Aging and Adult Services	Administration Program - This adjustment provides funding for services to enable disabled persons to reside at home. The source of federal funds is the Real Choice Systems Grant.	\$0	\$98,836	0														
09 - 320	Health & Hospitals	Office of Aging and Adult Services	Administration Program - This adjustment provides funding to assist in developing and identifying community housing for the elderly and persons with disabilities. The source of federal funds is the Centers for Medicare and Medicaid Services System Transformation Grant.	\$0	\$820,828	0														
09 - 326	Health & Hospitals	Office of Public Health	Personal Health - This adjustment provides funding for a 5% SGF match that is required by U.S. Centers for Disease Control & Prevention for the Emergency Preparedness Program. The total funding available for emergency preparedness in FY 09 is \$13,940,240 (including the 5% required match).	\$697,012	\$697,012	0														
09 - 326	Health & Hospitals	Office of Public Health	Personal Health - This adjustment provides SGF funding for West Jefferson High School Based Health Center (SBHC) to assure continued operation of the center. The W.K. Kellogg Foundation provided the funding in FY 07 and FY 08 to open the West Jefferson SBHC.	\$172,000	\$172,000	0														
09 - 326	Health & Hospitals	Office of Public Health	Personal Health - This adjustment increases the federal budget authority to reflect the projected increase for the Women, Infants, and Children (WIC) Program. The WIC Program had a total of \$103,844,920 in funding for FY 08. The funding for FY 09 is projected to be \$112,845,300. The number of individuals served in this program was 138,403 as of 6/30/08.	\$0	\$5,160,900	0														
09 - 326	Health & Hospitals	Office of Public Health	Personal Health Services Program - This adjustment provides additional funding for school-based health centers operational costs (2.5%) and planning grants for 2 new centers.	\$325,000	\$325,000	0														

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 326	Health & Hospitals	Office of Public Health	This adjustment provides funding for cabinet appointee salary increases.	\$60,291	\$60,291	0
09 - 326	Health & Hospitals	Office of Public Health	This adjustment provides funding for Sickle Cell Anemia Center of Northern LA.	\$50,000	\$50,000	0
09 - 326	Health & Hospitals	Office of Public Health	This adjustment provides funding for the Women's Center of Lafayette.	\$100,000	\$100,000	0
09 - 326	Health & Hospitals	Office of Public Health	This adjustment provides additional funding and 12 positions for the Nurse Family Partnership Program for expansion in Regions 2 and 9.	\$1,000,000	\$1,000,000	12
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - This adjustment provides additional SGF funding to address the mental health crisis in the Greater New Orleans area. Services that will be provided include 24/7 telephone crisis screening and Regional Triage Center; child and adolescent response system; rapid CIT training; mental health treatment staff enhancement for Orleans Parish Prison; forensic assertive response system; assertive community treatment teams; housing subsidies; crisis respite; and a team of experts to coordinate implementation of programs.	\$13,847,000	\$13,847,000	0
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - This adjustment provides funding to establish a civil commitment program for sex offenders.	\$300,000	\$300,000	0
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	This adjustment annualizes 3 BA-7's approved by JLCB on 5/16/09 for a no-cost time extension for a grant from the Substance Abuse Mental Health Administration to continue crisis counseling services to residents impacted by hurricanes Katrina and Rita.	\$0	\$13,113,867	0
09 - 332	Health & Hospitals	Office of Mental Health - Area B	This adjustment annualizes a BA-7 approved in-house on 5/8/08 to provide funding for the provision of intensive support services to clients to maintain recovery and prevent recidivism. The source of IAT is a federal Jail Diversion Grant received from the Office of Mental Health (State Office).	\$0	\$400,000	0
09 - 333	Health & Hospitals	Office of Mental Health - Area A	This adjustment increases IAT budget authority to provide additional funding for an increase in primary care services in the Greater New Orleans hurricane impacted areas. The funding will be used to establish a specialty clinic at the New Orleans Adolescent Hospital for children who have mental health issues along with other types of disorders. The source of IAT is federal funding from the CMS Primary Care Access and Stabilization Grant received from Medical Vendor Payments (MVP).	\$0	\$757,695	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Community Based Program - This adjustment provides Statutory Dedicated funding from the New Opportunities Waiver (NOW) Fund and 15 T.O. for administration of an additional 2,025 waivers. The T.O. will include program monitors and health and medical certification specialists.	\$0	\$1,391,480	15
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Northeast Supports and Services Center Program - This adjustment provides funding for additional services to clients in Franklin Parish.	\$100,000	\$100,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Community Based Program - This adjustment provides an increase in payments to Early Steps Providers. Early Steps is a program that provides services to families with children, birth to 3 years old, who either have a medical developmental delay or have a medical condition likely to result in a developmental delay. The agency has been experiencing a decrease in providers and will use the increased payments to aid in retaining and getting providers to provide services to existing participants.	\$1,137,638	\$1,137,638	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	This adjustment provides funding for the Bertha Nelson Day Care Center.	\$50,000	\$50,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	This adjustment provides funding for the Beaugard Association for Retarded Citizens.	\$75,000	\$75,000	0
09 - 351	Health & Hospitals	Office for Addictive Disorders	Provides SGF funding for the annualization of 40 medically supported detoxification beds in regions 1, 2, and 7 that were funded for 6 months in FY 08.	\$2,650,000	\$2,650,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 351	Health & Hospitals	Office for Addictive Disorders	Provides SGF funding for the annualization of 74 adult inpatient beds in regions 7 and 8 that were funded for 6 months in FY 08.	\$1,600,000	\$1,600,000	0
Major Enhancements for Health & Hospitals				\$103,732,722	\$572,518,326	45
10 - 355	Social Services	Office of Family Support	Client Services - This adjustment provides Federal funds via IAT funding for a rent increase for the Baton Rouge Disability Determination Services Office which was scheduled to move into the Department of Agriculture building in May or June 2008.	\$0	\$580,405	0
10 - 355	Social Services	Office of Family Support	Client Services - This adjustment provides 6 months of funding (\$415,000 Federal) for an increase in the Medical Consultant Examinations (CE) fee schedule in order to keep pace with the Medicare fee schedule. Medical consultants perform examinations for Disability Determination Services. As of January 2007, the increase for medical exams and procedures was \$10 per case. The agency's current annual workload is 83,000 cases. Additionally, \$85,000 Federal is also being provided for higher increases to the fee schedule as well as an increased workload.	\$0	\$500,000	0
10 - 355	Social Services	Office of Family Support	Client Services - This adjustment provides additional funding (\$52,768 SGF and \$52,768 Federal) for security services due to an increase in service hours in many areas in an effort to provide better access for visitors. The agency is providing security services for 9 regions in lieu of the 8 regions previously serviced.	\$52,768	\$105,536	0
10 - 355	Social Services	Office of Family Support	Client Payments - This adjustment (\$923,612 Federal) annualizes the Day Care rate increase. Effective 1/1/07 the rate for Day Care Class A Providers increased from \$16.50 to \$17.50 per day. Day care services are out-of-home day care services that are provided for protective services reasons or to support and maintain the child's foster care placement.	\$0	\$923,612	0
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - This adjustment provides (\$68,590 SGF and \$17,148 IAT) funding for a Director position in the Bureau of Licensing for Residential Licensing.	\$68,590	\$85,738	1
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - This adjustment provides IAT funding for the agency to re-bid an existing contract for network services which is set to expire in December 2008. The source of IAT is indirect costs from the Office of Community Services (\$111,200), Office of Family Support (\$257,600), and LA Rehabilitative Services (\$31,200). The funding is based on IT market rates of inflation at 8% per year or 24% for the term of the contract.	\$0	\$400,000	0
10 - 357	Social Services	Office of Secretary	This adjustment provides funding to increase the authorized salary of the deputy secretary.	\$0	\$2,205	0
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - This adjustment provides SGF funding for an increase in the psychiatric hospitalization daily reimbursement rate from \$300 to \$534.94. Funding is based on 2,956 care days per year for 114 children.	\$694,483	\$694,483	0
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - This adjustment provides SGF funding for Multi-systemic Therapy, which is an in-home service designed to keep adolescents (ages 12 - 17) from out-of-home placement and return them home sooner if placed out of home. Intensive services in the home and community are provided over a period of 3 to 5 months by a trained therapist who is available to the family 24 hours/7 days per week.	\$800,000	\$800,000	0
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - This adjustment (\$1,273,612 IAT) annualizes the Day Care rate increase for child care services. The source of IAT is Child Care Development Block Grant funds from the Office of Family Support. Effective 1/1/07 the rate for Day Care Class A Providers increased from \$16.50 to \$17.50 per day. Day care services are out-of-home day care services that are provided for protective services reasons or to support and maintain the child's foster care placement.	\$0	\$1,273,612	
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - This adjustment provides funding for the St. Tammany Children's Advocacy Center.	\$50,000	\$50,000	0
10 - 374	Social Services	LA Rehabilitation Services	Spec Rehab Services Program - This adjustment provides Statutory Dedicated funding from the Traumatic Head & Spinal Cord Injury Trust Fund and 1 position to provide service delivery to Traumatic and Spinal Cord clients.	\$0	\$557,449	1
Major Enhancements for Social Services				\$1,665,841	\$5,973,040	2

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
11 - 432	Natural Resources	Office of Conservation	Annualization to accommodate expansion of the Well Inspection Program that was initiated in FY 08. This annualization includes SGF funding for equipment maintenance, storage, and fuel adjustments. Total funding appropriated in FY 08 was \$950,592, as well as 13 positions.	\$264,019	\$264,019	0
11 - 435	Natural Resources	Office of Coastal Restoration	Provides funding from the Coastal Protection and Restoration Fund for the 9 additional positions for the Coastal Protection & Restoration Authority Implementation Team.	\$0	\$900,000	9
Major Enhancements for Natural Resources				\$264,019	\$1,164,019	9
12 - 440	Revenue	Office of Revenue	SGR funding for the 2nd year of the Department's initiative to maintain and enhance the following computer applications: Natural Disaster Sales Tax Refunds, Non-resident Contractor Reporting, Legal Case Tracking System, Sales Tax Tracking on Motor Vehicles, Receipt Books Tracking, Policy Services Rulings Tracking, and Fiduciary Returns Tracking. Specifically, funds to hire CSSA (Consulting Service and Support Agreement) vendors to work on these applications as needed. The Department projects 6,000 hours of contract services will be needed at an average cost of \$139 per hour (6,000 hours X \$139 per hour = \$834,000). These additional SGR are derived primarily from increased late payment/delinquent fees and negligence fees. The JLCB approved a BA-7 in December 2007 of \$556,000 for this initiative. This BA-7 occurred after the 12/1/07 baseline budget used as a comparison for all budgetary adjustments. Total funding in FY 09 represents the December 2007 BA-7 of \$556,000 plus another \$278,000 added for FY 09.	\$0	\$834,000	0
12 - 440	Revenue	Office of Revenue	Additional SGR funding for the Department of Revenue's proportional share of the State's central depository banking fees. The Department of Treasury requested this increase and the OPB added these funds to the Department of Revenue's budget. Including these additional funds, the total funding for these banking fees in FY 09 is \$587,527.	\$0	\$67,270	0
12 - 440	Revenue	Office of Revenue	SGF funding to distribute to local sales tax jurisdictions pursuant to R.S. 47:302(K). These are consumer use taxes primarily from internet sales, catalog sales, and registered boats. The Department of Revenue distributes the proceeds of the tax to the central local sales and use tax collector or the parish governing authority according to population. This increase is based on the consumer use taxes collected from 1/1/06 to 6/30/07. The total budget for these distributions in FY 09 is \$743,593.	\$345,570	\$345,570	0
12 - 440	Revenue	Office of Revenue	Funding the Office of Alcohol and Tobacco Control (ATC) to audit 59 out-of-state tobacco wholesalers. These funds will allow the ATC to perform additional audit duties required by Act 752 of 2006. The Tobacco Regulation Enforcement Fund (\$135,000) is the source of these additional funds.	\$0	\$135,000	0
12 - 440	Revenue	Office of Revenue	Funding for the 2nd year of the Department's initiative to maintain and enhance the following computer applications: Individual Income Tax Web Filing (State only), Individual Income Tax Federal/State Filing, Corporation Taxes Electronic Filing, Electronic Transmission of Federal and State W-2 Information, Withholding Web Filing, Excise Taxes Filing, Bank Management System for electronic payments and direct deposits, Refunds Status System, and the Business Registration System. Specifically, funds will be used to hire CSSA (Consulting Service and Support Agreement) vendors to work on these applications as needed. These additional SGR are derived primarily from increased late payment/delinquent fees and negligence fees. The JLCB approved a BA-7 in December 2007 of \$516,000 for this initiative. This BA-7 occurred after the 12/1/07 baseline budget used as a comparison for all budgetary adjustments. Total funding in FY 09 represents the December 2007 BA-7 of \$516,000 plus another \$758,000 added for FY 09.	\$0	\$1,274,000	0
12 - 440	Revenue	Office of Revenue	SGR funding for the 2nd year of the Department's initiative to maintain and enhance the following computer applications: Individual Income Tax Web Filing (State only), Individual Income Tax Federal/State Filing, Corporation Taxes Electronic Filing, Electronic Transmission of Federal and State W-2 Information, Withholding Web Filing, Excise Taxes Filing, Bank Management System for electronic payments and direct deposits, Refunds Status System, and the Business Registration System. Specifically, funds to hire CSSA (Consulting Service and Support Agreement) vendors to work on these applications as needed. The Department projects 6,000 hours of contract services will be needed at an average cost of \$129 per hour (6,000 hours X \$129 per hour = \$774,000). These additional SGR are derived primarily from increased late payment/delinquent fees and negligence fees. The JLCB approved a BA-7 in December 2007 of \$516,000 for this initiative. This BA-7 occurred after the 12/1/07 baseline budget used as a comparison for all budgetary adjustments. Total funding in FY 09 represents the December 2007 BA-7 of \$516,000 plus another \$774,000 added for FY 09.	\$0	\$774,000	0
12 - 441	Revenue	LA Tax Commission	Statutory Dedicated funding to maintain the LA Tax Commission's software developed for public service assessments and to renew the subscription to Marshall & Swift services. The source of these Statutorily Dedicated funds is the Tax Commission Expense Fund (R.S. 47:1835).	\$0	\$51,967	0
Major Enhancements for Revenue				\$345,570	\$3,481,807	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
13 - 850	Environmental Quality	Office of Secretary	Increases funding to the Administrative Program for the LA Rural Water Association, Inc. This is pass-thru funding which, prior to FY 2007, was appropriated within the Department of Natural Resources. This entity was first appropriated funds within DEQ in FY 2007, and at an amount of \$250,000. That amount was included in FY 08 DEQ budget and in the development of the executive budget for FY 09, therefore this additional funding would double the total amount of funding to this entity to \$500,000 in FY 09.	\$250,000	\$250,000	0
13 - 851	Environmental Quality	Office of Environmental Compliance	Provides funding through and IAT from the Governor's Office of Homeland Security & Emergency Preparedness to continue the enforcement of asbestos and other state air regulations regarding demolition activities in the New Orleans area. EPA had been overseeing this task, but will cease this oversight in FY 09. These FEMA monies will be used by DEQ to contract for ongoing oversight as regards these demolition activities. Although an enhancement to DEQ's budget, this funding represents an ongoing effort in the New Orleans area.	\$0	\$400,000	0
Major Enhancements for Environmental Quality				\$250,000	\$650,000	0
14 - 474	Labor	Office of Workforce Development	Provides funding to the Job Training and Placement Program for the Jackson Parish Police Jury for the workforce investment office.	\$23,000	\$23,000	0
14 - 474	Labor	Office of Workforce Development	Provides funding to the Administrative Program for the Workforce Commission, including 4 positions, for implementation of Act 743 (HB 1104) of 2008. This increase has the following components: 1. \$432,000 - Training/education of Workforce Investment Boards, 2. \$372,000 - Professional Services for third party consulting services to develop and implement a comprehensive, statewide, regional, integrated service delivery system. 3. \$219,096 - To fund 3 short-term positions (only FY 2008-09) for system integration strategy and implementation (3 staff X \$73,032 for one year = \$219,096). 4. \$733,500 - Signage (70+ locations statewide, headquarters building, cost for design, production and construction). 5. \$295,500 - Redesign and reprint of resource materials and operational supplies. 6. \$960,000 - Outreach and recruitment; marketing and communications for eight regional business recruitment events (8 events X \$40,000 each = \$320,000) and \$640,000 in production/air time costs for business and job seekers. 7. \$670,000 - Expanded State & Regional Occupational Forecasting. 8. \$960,000 - Funding to develop an integrated system providing a comprehensive platform for all workforce-training programs in the State. Costs include \$750,000 for three I.T. staff (\$195 per hour X 3,846 hours) and hardware/software upgrades for the existing case management system (\$210,000).	\$4,642,096	\$4,642,096	4
14 - 475	Labor	Office of Workers' Compensation	Additional Statutory Dedicated funding (\$1,375,841) for the Injured Workers' Reemployment Program to reimburse insurance carriers for workers' compensation benefits when an eligible worker sustains a subsequent job related injury. This additional funding brings the total for this program to \$45.9M in FY 09. \$1.3M brought the other charges up to a level of \$45.6M. The amount of this additional funding is based on a weighted calculation of assessments over the 2 prior fiscal years and reviews of pending files. The source of the Statutory Dedicated funds is the LA Workers' Compensation - Second Injury Board Fund.	\$0	\$1,375,841	0
Major Enhancements for Labor				\$4,665,096	\$6,040,937	4
16 - 514	Wildlife & Fisheries	Office of Fisheries	Additional SGF placed into the Statutory Dedicated Aquatic Weed Control Fund to allow for a contract to treat additional acres of aquatic vegetation and develop research partnerships with the state universities on alternative uses and treatment methods for nuisance aquatic plants. This will increase the funding for aquatic weed control to \$8.3M in FY 09.	\$0	\$2,000,000	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Annualization of BA-7 #235 approved by the JLCB on 12/19/07 to provide for the restoration of LA fisheries damaged by the hurricanes of 2005 by establishing assistance programs. The total amount of grant funding is \$41M of which the remaining \$8,077,590 needs to be annualized for FY 09. The source of funding is from the National Oceanic & Atmospheric Administration (NOAA) via the U.S. Troops Readiness Veteran's Care, Katrina Recovery, & Iraq Accountability Appropriations Act, 2007 (P.L. 110-28).	\$0	\$8,077,590	0
Major Enhancements for Wildlife & Fisheries				\$0	\$10,077,590	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
17 - 561	Civil Service	Municipal Fire and Police C.S.	Provides Statutory Dedicated funding from the Municipal Police & Fire Civil Service Fund for the production of a training video for the civil service boards.	\$0	\$45,000	0
17 - 562	Civil Service	Ethics Administration	Implementation funding for the following acts, approved in the 2008 First Extraordinary Legislative Session: Act 1 - financial disclosure requirements; Act 2 - restrictions and disclosure requirements for contracts; Act 3 - ethics education and training; Act 13 -lobbyist registration and expenditure requirements; and Act 26 - financial reports for certain political organizations.	\$1,679,457	\$1,679,457	12
17 - 562	Civil Service	Ethics Administration	Provides SGF funding for acquisitions and major repairs.	\$273,080	\$273,080	0
17 - 562	Civil Service	Ethics Administration	Provides SGF funding for workload adjustment which increased personnel for the processing of campaign finance reports. Added 2 clerical positions, a programmer and an investigator.	\$265,320	\$265,320	4
17 - 562	Civil Service	Ethics Administration	Provides SGF funding for student workers needed to file and scan disclosure reports.	\$58,864	\$58,864	0
17 - 564	Civil Service	Division of Administrative Law	Provides SGF funding and 3 positions for the implementation of Act 23 of the 2008 First Extraordinary Special Session, which provided for the agency to conduct hearings on ethics charges brought by the Ethics Board.	\$267,395	\$267,395	3
17 - 564	Civil Service	Division of Administrative Law	Increases IAT revenue to provide for a special entrance rate for administrative law judges. The IAT revenue is received from various state agencies for which the Division of Administrative Law conducts administrative hearings.	\$0	\$144,087	0
17 - 564	Civil Service	Division of Administrative Law	Increases IAT revenue to hire temporary personnel (clerical and law judge) to handle increased hearings from Public Safety. The IAT revenue is received from various state agencies for which the Division of Administrative Law conducts administrative hearings.	\$0	\$89,465	0
17 - 564	Civil Service	Division of Administrative Law	Provides IAT funding for an increased rental rate for the Baton Rouge (\$3,766) and Shreveport (\$58,179) offices. The IAT revenue is received from various state agencies for which the Division of Administrative Law conducts administrative hearings.	\$0	\$61,945	0
17 - 564	Civil Service	Division of Administrative Law	Implementation of Act 23 of the 2008 First Extraordinary Session, which provided for establishment of the Ethics Adjudicatory Board to conduct hearings on ethics violations. Funding provides for salaries, related benefits and operating expenses for one administrative law judge.	\$117,275	\$117,275	1
Major Enhancements for Civil Service				\$2,661,391	\$3,001,888	20
19A -	Higher Education		Funding provided to insure all higher education institutions receive at least 100% of the average funding rates of their SREB peers as determined by the LA funding formula for higher education.	\$34,718,187	\$34,718,187	0
		Institution	Amount	SUS		
		ULL	\$7,270,744		\$24,008	
		SLU	\$5,321,847	Total	\$34,718,187	
		LSU A&M	\$5,161,986			
		Delgado	\$3,292,951			
		LaTech	\$2,789,770			
		SLCC	\$1,935,766			
		LSU A	\$1,908,079			
		BRCC	\$1,886,957			
		BPCC	\$1,764,240			
		McNeese	\$1,758,644			
		Northwestern	\$412,103			
		LDCC	\$403,171			
		RPCC	\$385,333			
		SU Law Center	\$286,151			
		Hebert Law Center	\$116,437			
19A - 600	Higher Education	LSU - Board of Supervisors	LSU HSCS - Provides Statutory Dedicated funding from the Overcollections Fund for Rural Hospital Health Information Technology (LaRHIX) at 24 rural hospitals in North and Central LA and the LSU HSCS.	\$0	\$4,887,753	0
19A - 600	Higher Education	LSU - Board of Supervisors	LSU AG Center - Increases Federal funds budget authority to reflect changes in the federal government distribution of formula funds and special grants.	\$0	\$1,000,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19A - 600	Higher Education	LSU - Board of Supervisors	LSU AG Center - Increases SGR for revenues collected and expenses incurred in various operations of the center.	\$0	\$500,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides additional funding for a law clinic at the LSU Paul Hebert Law Center.	\$471,600	\$471,600	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the Fire and Emergency Training Institute at LSU-BR from the Fireman Training Fund.	\$0	\$572,687	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU Health Sciences Center - Shreveport for operating expenses at the medical school.	\$2,750,000	\$2,750,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU Health Sciences Center - Shreveport for the Read to Succeed Initiative.	\$25,000	\$25,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU - Shreveport for the Animation & Visual Effects Program.	\$500,000	\$500,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU - Shreveport for the LA PREP enrichment programs for middle and early high school students.	\$200,000	\$200,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU Ag Center for the W.A. Callegari Environmental Center for research and development into biofuels and fuel alternatives.	\$50,000	\$50,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU Ag Center for the Delta Regional Initiative for program development.	\$200,000	\$200,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU Health Sciences Center - Huey P. Long for operating expenses.	\$350,000	\$350,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Provides funding to the LSU-BR Digital Media Center.	\$1,000,000	\$1,000,000	0
19A - 615	Higher Education	SU - Board of Supervisors	Provides funding for the Business Incubator Program and collaborative training with LA Association of Non-Profits North.	\$350,000	\$350,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Northwestern - Provides additional IAT budget authority so the university can receive funds from the LA School for Math, Science & the Arts (LSMSA). The LSMSA is located on Northwestern's campus and the college provides security. The costs for providing security increased and this additional authority is reflective of that increase.	\$0	\$7,832	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Provides funding to Nicholls State University for the LA Center for Women & Government.	\$50,000	\$50,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Provides funding to Nicholls State University for the Center for Dyslexia & Related Learning Disorders.	\$150,000	\$150,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Provides funding to McNeese State University for an applied behavioral analysis training program in the Psychology Department for direct care workers for the developmentally disabled.	\$90,000	\$90,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Provides funding to Acadiana Cinematic Arts Workshop.	\$75,000	\$75,000	0
19A - 649	Higher Education	LA Com and Tech Colleges - Board of Supervisors	Provide funding for vocational training at the LA Methodist Children's Home operated by United Children & Family Services Inc.	\$100,000	\$100,000	0
19A - 649	Higher Education	LA Com and Tech Colleges - Board of Supervisors	Provide additional funding to the Nunez Learning Center for operations.	\$35,000	\$35,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19A - 649	Higher Education	LA Com & Tech Colleges - Board of Supervisors	Provides funding to the LCTCS for expenses related to the implementation of Workforce Development Initiatives including one position.	\$110,000	\$110,000	1
19A - 649	Higher Education	LA Com & Tech Colleges - Board of Supervisors	Provides funding to the LTC for the Jumonville Memorial's acquisition of a modular building.	\$40,000	\$40,000	0
19A - 649	Higher Education	LA Com & Tech Colleges - Board of Supervisors	Provides funding to SOWELA Technical Community College for the Automotive Maintenance Repair Center.	\$100,000	\$100,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Provides IAT authority for the BOR to receive a grant from the Division of Administration's Office of Community Development's Block Grant Program which is funded by the U.S. Department of Housing & Urban Development (HUD).	\$0	\$22,126,548	0
19A - 671	Higher Education	Board of Regents for Higher Education	Provides Statutory Dedications funding from the LA Post Secondary Education Secure Campus Fund for campus security assessments and projects.	\$0	\$312,500	0
Major Enhancements for Higher Education				\$41,364,787	\$70,772,107	1
19B - 651	Special Schools & Comm.	LA School for Visually Impaired (LSVI)	Provides funding for a pay increase for eligible certificated personnel and the associated employer retirement contribution.	\$38,133	\$38,133	0
19B - 653	Special Schools & Comm.	LA School for the Deaf (LSD)	Provides funding for a pay increase for eligible certificated personnel and the associated employer retirement contribution.	\$108,750	\$108,750	0
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Provides funding for a pay increase for eligible certificated personnel and the associated employer retirement contribution.	\$20,008	\$20,008	0
19B - 655	Special Schools & Comm.	LA Special Education Center (LSEC)	Provides funding for additional developmentalist positions. Additional funding (\$175,000) is provided in DHH's Payments to Public Providers Program from the Medicaid Program.	\$0	\$175,000	7
19B - 657	Special Schools & Comm.	LA School for Math, Science, & the Arts	Provides funding for a pay increase for eligible certificated personnel and the associated employer retirement contribution.	\$84,858	\$84,858	0
19B - 661	Special Schools & Comm.	Office of Student Financial Assistance	Provides funding by IAT from the Board of Regents to the Scholarship and Grants Program for the Health Care Educator Loan Forgiveness Program to increase the number of qualified nursing and allied health faculty funded from Higher Education Initiatives.	\$0	\$2,200,000	0
19B - 673	Special Schools & Comm.	New Orleans Center for Creative Arts	Provides funding for a pay increase for eligible certificated personnel and the associated employer retirement contribution.	\$38,133	\$38,133	0
Major Enhancements for Special Schools & Comm.				\$289,882	\$2,664,882	7

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19D - 678	Elem. & Secondary Educ.	State Activities	<u>Student & School Performance</u> - Additional SGF funding is provided for the administration of the expansion of the LA4 Pre-K Program. The additional funding for the program which is provided in the Subgrantee Assistance Agency is expected to serve an additional 500 students in the 6 hour instructional program. A total of \$83.4M is budgeted for FY 09 for LA4 (\$3M is in State Activities, and \$80.4M is in Subgrantee Assistance).	\$30,000	\$30,000	0
19D - 678	Elem. & Secondary Educ.	State Activities	SGF funding is also provided for the administration of the LA Leadership Initiative. A total of \$800,000 SGF is provided in FY 09 for the initiative with \$605,000 budgeted in Subgrantee Assistance. Five positions are provided in the Executive Office for Career & Technical Education, and 1 position is provided in the Office of Quality Educators for the LA Leadership Initiative.	\$195,000	\$195,000	6
19D - 678	Elem. & Secondary Educ.	State Activities	<u>Executive Office</u> : SGF funding and 2 T.O. are provided for the Alternative School Statewide Intervention Support Program. The program will provide interventions and support through research and development focused on turning around academically unacceptable schools.	\$1,437,500	\$1,437,500	2
19D - 678	Elem. & Secondary Educ.	State Activities	<u>Executive Office</u> : SGF funding and 2 T.O. are provided for the administration of the Literacy & Numeracy Program. The Department of Education intends to increase student achievement in reading, writing, and mathematics in Pre-k through 4th grade.	\$2,000,000	\$2,000,000	2
19D - 678	Elem. & Secondary Educ.	State Activities	School & Community Support - SGF funding is provided for the administration of the Alternative Schools/Options Program.	\$250,000	\$250,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - Additional SGF funding is provided to expand the Career & Technical Program offerings across the state. Currently, approximately 132,000 students are enrolled in at least one Career & Technical Education course. Approximately 10,600 students were dually enrolled. The funding provided is intended to expand dual enrollment by 10%. Funding is also intended to increase the number of students obtaining Industry Based Certifications and participating in work based internships. The funds will be allocated to school districts on a competitive basis.	\$4,500,000	\$4,500,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Disadvantaged & Disabled Student Support</u> - An increase in the Statutory Dedicated funding from the Education Excellence Fund is provided based on projections adopted by the Revenue Estimating Conference. The total amount provided for FY 09 is \$20,128,497.	\$0	\$2,755,210	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - SGF increase for nationally certified school psychologists. This funding will provide the \$5,000 stipend to an additional 20 school psychologists. The total number receiving the stipend for FY 09 is 200, and the total budget is \$1M.	\$100,000	\$100,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - SGF increase for nationally certified teachers. This funding will provide the \$5,000 stipend to an additional 106 teachers. The total number receiving the stipend for FY 09 is 1,217, and the total budget is \$6,085,000.	\$530,000	\$530,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Adult Education</u> - Federal TANF funding is transferred from the DSS for Jobs for America's Graduates LA (JAG-LA) to implement new programs or expand existing programs to address the dropout rate in LA by providing research, data driven dropout prevention, and recovery programs. The LA program follows the national model and coordinates with the state's high school redesign efforts. Currently, there is \$950,000 in SGF budgeted for this program, and there are 33 JAG programs in 22 parishes. The additional funding provided is expected to expand to approximately 30 additional sites to combat the dropout rate. Note: Currently, there is also \$2M SGF budgeted for High School Redesign drop-out prevention strategies for FY 09.	\$0	\$850,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - Provides SGF funding for pay increase and associated retirement for certificated personnel in Type 2 charter schools. This pay raise will provide approximately \$1,019 plus the associated retirement to bring the average teacher salary to the projected SREB average of \$47,819.	\$1,478,529	\$1,478,529	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - SGF funding is provided for a teacher's flexible pay increase. Act 19 (HB 1) of 2008 provides language as to how the funds will be used.	\$10,000,000	\$10,000,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - Additional SGF funding is provided for the Teach for America Program. This program recruits recent college graduates for 2 years in low income areas. This funding will allow for an expansion to Pointe Coupee Parish, and more services in the New Orleans area and the southern part of the state (St. Landry, St. Helena, St. John the Baptist, Jefferson, East Feliciana and East Baton Rouge). The total amount provided for FY 09 is approximately \$960,000.	\$500,000	\$500,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - Funding is provided for a salary supplement as required by R.S. 17:421.11 for speech-language pathologists and audiologists who hold a Certificate of Clinical Competence issued by the American Speech-Language Hearing Association. The amount provided is to fund the implementation and all salary supplements.	\$2,443,350	\$2,443,350	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School and Community Support</u> - Funding is provided for the VSA Arts of LA, Inc.	\$75,000	\$75,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

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19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School and Community Support</u> - Funding is provided from the Mega-Project Development Fund to provide for a \$1,000 one-time salary supplement for all school support personnel and nonpublic lunchroom employees eligible for salary supplements for the 2008-09 school year. According to the Department of Education, as of 10/1/07 the total number of school support personnel is 39,568. The funding will provide for the salary supplement and the associated retirement of 17.8%.	\$0	\$48,600,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School Accountability and Improvement</u> - SGF funding is provided for 2 new Type 2 Charter Schools: D'Arbonne Charter School (\$1,594,296), and Children's Charter School (\$180,680).	\$1,774,976	\$1,774,976	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Adult Education</u> - SGF funding is provided for the Alternative Schools/Options Program. Prior to FY 09 local school districts were allowed to request a waiver from providing alternative school services. In FY 09 and beyond, no waivers are allowed to be granted. The funding provided for this initiative will enable the Department of Education to potentially create regional alternative schools to help districts that are not able to provide services to all alternative education students.	\$2,650,000	\$2,650,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - SGF funding is provided for the LA Leadership Excellence Program which will assist principals to be trained in becoming turnaround specialists that would be placed in failing schools. In the current year, \$1.5M 8(g) was provided for the pilot LA School Turnaround Specialist Program. The program will continue to receive \$1M 8(g) for FY 09 in addition to \$800,000 SGF. Of the \$800,000, \$605,000 is budgeted in Subgrantee Assistance and \$195,000 is budgeted in State Activities for administration. The total amount budgeted for this program in FY 09 is \$1.6M	\$605,000	\$105,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School Accountability and Improvement</u> - SGF funding is provided for a new initiative that will address numeracy and literacy in schools. The Department of Education intends to increase student achievement in reading, writing, and mathematics in Pre-K through 4th grade by coordinating all literacy and numeracy initiatives. The focus will be on increasing the quality of instruction in the classroom while providing ongoing school improvement services. Funding will be used for literacy and math coaches for schools, professional development and training, grants to schools to implement action plans, and consulting services from national and local experts. This initiative will be supported with \$5M in 8(g) funds for FY 09.	\$10,590,000	\$15,590,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School and Community Support</u> - Funding is provided from the Academic Improvement Fund for fellowships for Masters of Education candidates to participate in educational leadership residencies.	\$0	\$950,000	0
19D - 682	Elem. & Secondary Educ.	Recovery School District	Statutory Dedicated funding is provided from the Academic Improvement Fund for the school choice initiative. This initiative will allow students the opportunity to obtain student scholarships in the New Orleans area to attend a school of their choice.	\$0	\$10,000,000	0
19D - 682	Elem. & Secondary Educ.	Recovery School District	SGF funding is provided for the Recovery School District to be used for extended day and year programs due to some students being 2 years or more behind grade level. The school day will last from 8:00 a.m. to 4:30 p.m. which will provide students an additional 15 days of instructional time. The funds will be used for teacher salaries and operational costs.	\$8,500,000	\$8,500,000	0
19D - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	SGF funding is provided for the MFP formula. This funding represents the 2.75% normal growth for the continuation of the FY 08 formula, and increases in HCR 207 of the 2008 Regular Session (the MFP resolution).	\$90,000,000	\$90,000,000	0
19D - 695	Elem. & Secondary Educ.	Minimum Foundation Program (MFP)	SGF funding is provided for an across the board pay raise for certificated personnel. This pay raise will provide approximately \$1,019 plus the associated retirement to bring the average teacher salary to the projected SREB average of \$47,819. The MFP formula provides for 50% of each school district's increased funding in Level 1 and Level 2 of the formula to be used to provide pay raises. There is approximately \$15M in the MFP formula that would be used for these purposes. The funds from the MFP and the funds provided in Act 19 (HB1) of 2008 together will provide the \$1,019 pay raise for certificated personnel.	\$54,184,111	\$54,184,111	0
19D - 697	Elem. & Secondary Educ.	Non-public Education Assistance	<u>Required Services</u> - SGF funding is provided for the Required Services Program to reimburse state-approved nonpublic schools for maintaining records, completing and filing reports, and providing required education-related data.	\$1,000,000	\$1,000,000	0
Major Enhancements for Elem. & Secondary Educ.				\$192,843,466	\$260,498,676	10

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19E - 610	LSU Health Care Services Division	LSUHSC-HCSD Central Administration	Provides funding to L.J. Chabert Medical Center for construction of a flood protection levee.	\$370,000	\$370,000	0
19E - 610	LSU Health Care Services Division	LSUHSC-HCSD Central Administration	Provides funding for a colorectal cancer screening demonstration project.	\$1,500,000	\$1,500,000	0
19E - 610	LSU Health Care Services Division	LSUHSC-HCSD Central Administration	Increase funding for the implementation of a telehealth pilot program concentrating on chronic disease patients diagnosed with diabetes, high blood pressure or congestive heart failure to compliment current disease management activities.	\$1,500,000	\$1,500,000	0
19E - 610	LSU Health Care Services Division	LSUHSC-HCSD Central Administration	Provides additional \$14.6M SGF to LSU HSC Health Care Services Division to address projected shortfall in revenues due to increases in non-allowable (non- reimbursable) costs.	\$14,650,000	\$14,650,000	0
Major Enhancements for LSU Health Care Services Division				\$18,020,000	\$18,020,000	0
20 - 451	Other Requirements	Local Housing of State Adult Offenders	Funding for an increase in per diem of \$1 per inmate for the housing of state inmates in local correctional facilities and for adult work release programs. This increase provides funding for Act 638 (HB 613) of 2008. The average number of adults inmates housed per day is based on the Existing Performance Standard for FY 08: Local Housing - \$5,322,795 (14,583 inmates) Work Release - \$1,328,600 (3,640 inmates)	\$6,651,395	\$6,651,395	0
20 - 452	Other Requirements	Local Housing of State Juvenile Offenders	Juvenile Offenders - Funding to properly align the FY 09 Operating Budget with statutes that require the Local Housing of Juvenile Offenders to be charged a higher rate due to inflation. Payments are made to non-state facilities for youth adjudicated delinquents or a member of a family in need of services. The rate for pending secure is \$101.14 and the rate for pending non-secure is \$23.39.	\$1,616,496	\$1,616,496	0
20 - 901	Other Requirements	State Sales Tax Dedication	Provides additional Statutory Dedications funding (\$240,000) from the Webster Parish Convention & Visitors Bureau Fund for the Webster Parish Convention & Visitors Bureau. FY 09 recommended funding is \$480,000.	\$0	\$240,000	0
20 - 901	Other Requirements	State Sales Tax Dedication	Provides additional Statutory Dedications funding (\$750,000) from the Jefferson Parish Convention Center Fund. FY 09 recommended funding is \$3,000,000.	\$0	\$750,000	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Act 790 (HB 1178) of 2006 amended the annual salary of assistant district attorneys paid by the state. Effective 7/1/08, the annual salary of each of the assistant district attorneys will increase from \$40,000 per year to \$45,000 per year.	\$2,881,180	\$2,881,180	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Annualization of the cost of 17 additional assistant district attorneys. Funding was provided in FY 08 for 22 pay periods as a result of Act 239 of 2007. This adjustment provides for 26 pay periods. The legislation increased the number of assistant district attorneys in the 1st, 3rd, 4th, 13th, 14th, 15th, 19th, 21st, 22nd, 23rd, 27th, 29th, and 30th Judicial District by a total of 17 attorneys (one for each Judicial District, except for the 4th, 22nd, 23rd, and 30th which will have an additional two).	\$106,420	\$106,420	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Act 416 of 2007 allowed, after approval of voters, the 11th Judicial District be divided into 2 judicial districts. Funding provides for the salary of a district attorney and a victim's assistance coordinator for the newly created 42nd Judicial District. The adjustment represents 6 months of funding because Act 416 becomes effective 1/1/09.	\$37,862	\$37,862	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Provides funding to the city of New Orleans for the operating expenses of the District Attorney for Orleans Parish.	\$100,000	\$100,000	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Funding for a \$5,000 salary increase for 61 Victims Assistance Coordinators contingent upon enactment of Act 316 (HB 1118) of 2008. The legislation increases the salary of each full-time victims assistance coordinator in the judicial districts from \$25,000 to \$30,000. The purpose of the victims assistance program is to assist victims and their families through the entire criminal justice process and to facilitate the delivery of victims' services and rights as provided by law.	\$305,000	\$305,000	0
20 - 906	Other Requirements	District Attorneys / Assistant DA	Funding for the 15th Judicial District Court (JDC) District Attorney's Office for youth programs in Acadia and Vermilion parishes.	\$50,000	\$50,000	0

Major Enhancements in the FY 09 Enacted Budget Compared to the FY 08 Budget

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20 - 906	Other Requirements	District Attorneys / Assistant DA	Funding for an increase of 11 new assistant district attorneys contingent upon enactment of Act 377 (HB 1152) of 2008. The legislation increases the number of assistant district attorneys in the 4th JDC (Morehouse and Ouachita parishes), 8th JDC (Winn Parish), 9th JDC (Rapides Parish), 14th JDC (Calcasieu Parish), 22nd JDC (St. Tammany and Washington parishes), 32nd JDC (Terrebonne Parish), and 40th JDC (St. John the Baptist Parish).	\$418,846	\$418,846	0
20 - 923	Other Requirements	Corrections Debt Service	Funding for the final debt service payment due on Winn, Allen, and Avoyelles Correctional Centers. \$150M of bonds were sold for the construction of Winn, Allen, and Avoyelles Correctional Centers with initial payment due on 6/15/93, and final payment scheduled for 12/15/03. The bonds were refinanced to restructure the physical sites tied to the lease of the properties in order to sell 2 parcels of vacant land. The new final maturity date of the bonds 12/15/08. \$9,865,276 is the final payment and is budgeted from the Overcollections Fund. The FY 09 Executive Budget provided \$5.9M in a MOF swap (increasing SGF and reducing Statutory Dedications) and \$3.9M increase in SGF, then provided for another MOF swap (reducing SGF and increasing Statutory Dedications) for the debt service payment from the Overcollections Fund.	\$3,878,038	\$3,878,038	0
20 - 923	Other Requirements	Corrections Debt Service	Funding for the first debt service payment due on the bonds used to purchase the Steve Hoyle Rehabilitation Center in Tallulah. \$38,530,000 in bonds were sold for the purchase of the Steve Hoyle Rehabilitation Center in Tallulah. The Department of Corrections had been leasing this facility since 2004. The initial payment was made on 12/15/07, and the final payment is scheduled for 12/15/19. Performance Indicator: Outstanding Balance – as of 6/30/08 \$39,787,950	\$2,575,950	\$2,575,950	0
20 - 924	Other Requirements	Video Draw Poker - Local Gov't Aid	Reduction to reflect estimate approved by the REC at its 2/10/08 meeting.	\$0	-\$7,450,000	0
20 - 930	Other Requirements	DOA - Higher Education Debt Service	Provides SGF funding for the LA Community & Technical Community College System for debt service payments for various capital outlay projects as specified in Act 391 of 2007.	\$12,608,893	\$12,608,893	0
20 - 933	Other Requirements	Governor's Conference and Interstate Compacts	Provides SGF funding for a decrease in dues to the Southern Growth Policy Board (-\$1,432); and an increase for the National Association of State Budget Officers (\$633); National Governor's Association (\$5,200), Education Commission of the State (\$3,100), and Council of State Government's National Office (\$88,549).	\$96,050	\$96,050	0
20 - 977	Other Requirements	Debt Service and Maintenance	Provides for the increased authority as a result of insurance premium adjustments and rebates received for rent collections, resulting in a decrease in SGF funding (\$11,460) and an increase in IAT funding (\$797,394). The IAT is from agencies housed in state buildings and assessed a rental charge.	-\$11,460	\$785,934	0
20 - 977	Other Requirements	Debt Service and Maintenance	Provides SGF funding for a Cooperative Endeavor Agreement (CEA) between the State/DOA, the city of New Orleans, the Sewerage & Water Board of New Orleans, and the LA Public Facilities Authority. In accordance with the terms of the CEA, the State, through the Commissioner of Administration shall include in the Executive Budget a request for the appropriation of funds necessary to pay the debt service requirements resulting from the issuance of LA Public Facilities Authority revenue bonds. These bonds were issued for the purpose of repairing the public infrastructure damaged by the hurricanes.	\$21,630,613	\$21,630,613	0
Major Enhancements for Other Requirements				\$52,945,283	\$47,282,677	0
Major Enhancements of FY2009				\$452,853,852	\$1,165,045,297	198

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
-	Statewide		Elimination of 1,175 vacant positions.	-\$28,502,885	-\$70,776,109	-1,175
			MOF			
			-\$28,502,885 SGF			
			-\$15,535,518 IAT			
			-\$6,177,149 SGR			
			-\$7,605,114 Stat. Ded			
			-\$12,955,443 Fed			
			-\$74,798,167 TOTAL			
			Major Reductions for Statewide	-\$28,502,885	-\$70,776,109	-1,175
01 - 100	Executive	Executive Office	This adjustment represents funding and position reductions as a result of the closure of the Washington D.C. Office as well as the closure of the New Orleans Office. The reductions for these 2 offices are as follow: Washington D.C. (\$206,958 total; \$151,958 SGF and \$55,000 IAT with a reduction of 2 positions). Four state agencies provided IAT funding including Department of Transportation & Development (\$15,000), Department of Environmental Quality (\$15,000), Department of Revenue & Taxation (\$10,000), and Department of Economic Development (\$15,000). New Orleans- (\$85,918 SGF and a position)	-\$237,876	-\$292,876	-3
01 - 100	Executive	Executive Office	Reduces TANF funding for private Pre-K. Current year appropriation is \$8.5M and will be reduced to \$6.8M with this reduction. This is a reimbursement program for children of families whose income falls below 200% of federal poverty level (FPL). It allows children to attend private schools, charter schools, class A day care, or parochial schools. This program is currently in 15 parishes around the state and a total of 39 schools. The parishes include Caddo, EBR, East Carroll, Franklin, Iberia, Jefferson, Lafayette, Lafourche, Orleans, Ouachita, St. Charles, St. John the Baptist, St. Landry, St. Tammany, Tangipahoa, and Terrebonne. This is a volunteer program on the part of the provider.	\$0	-\$1,700,000	0
01 - 100	Executive	Executive Office	Non-recurring SGF funding that was provided for the following special legislative projects: HAMPCO, Inc. (\$350,000); Community Association for the Welfare of School Children in Baton Rouge (\$400,000); Sickle Cell Disease Foundation Southeast LA, Inc. (\$10,000); and the Katrina Memorial Commission for the Katrina Memorial (\$250,000).	-\$1,010,000	-\$1,010,000	0
01 - 100	Executive	Executive Office	Reduces the Oil Spill Contingency Fund by \$3M to reflect anticipated expenditures for FY 09.	\$0	-\$3,000,000	0
01 - 101	Executive	Office of Indian Affairs	Adjustment to decrease the Statutory Dedicated Avoyelles Parish Local Government Gaming Mitigation Fund expenditure authority to be more in line with the previous 7 years historical average collections of gaming revenues.	\$0	-\$800,000	0
01 - 107	Executive	Division of Administration	Reduces funding out of the State Emergency Response Fund (SERF).	\$0	-\$5,000,000	0
01 - 107	Executive	Division of Administration	Adjustment represents a decrease in the amount needed for the Road Home Program's Homeowner Closing Program for FY 09. Funding level for FY 08 was \$372.5M and as of 6/11/08 the remaining balance was \$50M. Funding level for FY 09 is \$50M. The Statutory Dedications funding is from the Overcollections Fund.	\$0	-\$322,500,000	0
01 - 107	Executive	Division of Administration	Reduces SGR funding available for the CDBG Housing Revolving Loan Fund and the CDBG Economic Development Revolving Loan Fund by \$5M each. Reduction of excess budget authority.	\$0	-\$10,000,000	0
01 - 111	Executive	Office of Homeland Security & Emergency Prep	Non-recurring Federal funds expenditure authority relative to Public Assistance and Hazard Mitigation associated with the 2005 hurricanes.	\$0	-\$1,060,432,678	0
01 - 112	Executive	Military Department	Phase-out funding for LA National Guard's (LNG) support of Task Force Gator in New Orleans. This funding provides support for a 6 month phase-out plan. Funding source is Statutory Dedicated State Emergency Response Fund (SERF). Total funding for this endeavor for FY 08 was \$24,060,807. Funding provided for FY 09 for phase-out is \$10,454,714, or a decrease of \$13,606,093.	\$0	-\$13,606,093	0
01 - 114	Executive	Office of Women's Policy	Non-recurring SGF funding for special legislative projects totaling \$570,000; LA Coalition Against Domestic Violence \$250,000; Chez Hope Inc. \$100,000; North Baton Rouge Women's Help Center \$20,000; and Methodist Children's Home in Ruston for Project Employ \$200,000.	-\$570,000	-\$570,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurring SGF funding for special legislative projects totaling \$350,000; Development of curricula and training programs for large-scale response to critical emergency situations related to school violence \$150,000; Caddo Parish Sheriff's Office for Safety Town \$50,000; and state programs for restoration of key programs \$150,000.	-\$350,000	-\$350,000	0
01 - 129	Executive	LA Commission on Law Enforcement	Non-recurring Federal funding associated with the Hurricane Criminal Justice Infrastructure Recovery Grant. This grant was originally provided in FY 06 at \$58M and expires August 2008. This adjustment reflects the amount carried forward for expenditure in FY 08.	\$0	-\$35,000,000	0
Major Reductions for Executive				-\$2,167,876	-\$1,454,261,647	-3
03 - 131	Veterans' Affairs	LA War Veterans' Home	Reduces funding (\$683,008 SGF, \$196,282 SGR, and \$138,312 Federal) and 23 positions as agency will downsize to 3 wings due to census decrease. The agency will keep average census of 136 through FY 08 and reduce to 112 through attrition in FY 09. No residents will be required to move out after the T.O. reduction. The eliminated positions are vacancies that will not be filled and the agency will not lay off any filled positions. The LA War Veterans Home (LWVH) indicates that the additional war veterans homes which have opened in the past few years have reduced the demand for residents in this facility. The LWVH does not anticipate a need in future fiscal years to re-open the 4th wing.	-\$683,008	-\$1,017,602	-23
03 - 132	Veterans' Affairs	Northeast LA War Veterans' Home	Reduces SGF funding for elimination of the DHH bed tax fee expenditure in FY 09 because the home is no longer a licensed nursing home and is not required to pay the bed tax fee to the DHH. This facility is now licensed by the Department of Veterans Affairs due to the determination that there is no mandatory requirement in R.S. 40:2009.2(1)(a) that this facility be licensed as a nursing home; and pursuant to R.S. 29:381, this facility will continue to be operated by the LA Department of Veterans Affairs.	-\$312,765	-\$312,765	0
03 - 134	Veterans' Affairs	Southwest LA War Veterans' Home	Reduces SGF funding for elimination of the DHH bed tax fee expenditure in FY 09 because the home is no longer a licensed nursing home and is not required to pay the bed tax fee to the DHH. This facility is now licensed by the Department of Veterans Affairs due to the determination that there is no mandatory requirement in R.S. 40:2009.2(1)(a) that this facility be licensed as a nursing home; and pursuant to R.S. 29:381, this facility will continue to be operated by the LA Department of Veterans Affairs.	-\$356,678	-\$356,678	0
03 - 135	Veterans' Affairs	Northwest LA War Veterans' Home	Reduces SGF funding for elimination of the DHH bed tax fee expenditure in FY 09 because the home is no longer a licensed nursing home and is not required to pay the bed tax fee to the DHH. This facility is now licensed by the Department of Veterans Affairs due to the determination that there is no mandatory requirement in R.S. 40:2009.2(1)(a) that this facility be licensed as a nursing home; and pursuant to R.S. 29:381, this facility will continue to be operated by the LA Department of Veterans Affairs.	-\$393,044	-\$393,044	0
03 - 136	Veterans' Affairs	Southeast LA War Veterans' Home	Reduces SGF funding for elimination of the DHH bed tax fee expenditure in FY 09 because the home is no longer a licensed nursing home and is not required to pay the bed tax fee to the DHH. This facility is now licensed by the Department of Veterans Affairs due to the determination that there is no mandatory requirement in R.S. 40:2009.2(1)(a) that this facility be licensed as a nursing home; and pursuant to R.S. 29:381, this facility will continue to be operated by the LA Department of Veterans Affairs.	-\$394,494	-\$394,494	0
Major Reductions for Veterans' Affairs				-\$2,139,989	-\$2,474,583	-23
04a - 139	State	Office of Secretary of State	Reduces SGF funding for election expenses to reflect anticipated funding needs. FY 09 recommended funding for elections is \$22.1M.	-\$1,000,000	-\$1,000,000	0
04a - 139	State	Office of Secretary of State	Reduces Statutory Dedicated funding from the Help America Vote Act to reflect anticipated collections of \$14,426,727.	\$0	-\$702,962	0
04a - 139	State	Office of Secretary of State	Reductions in operating expenses (\$998,500), supplies (\$4,500), IAT (\$87,000) and travel (\$10,000).	-\$1,100,000	-\$1,100,000	0
04a - 139	State	Office of Secretary of State	Reduces funding for the Southern Forest Heritage Museum.	-\$100,000	-\$100,000	0
Major Reductions for State				-\$2,200,000	-\$2,902,962	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
04b - 141	Justice	Office of Attorney General	Reduces funding for various unidentified agency operations.	-\$101,492	-\$101,492	0
04b - 141	Justice	Office of Attorney General	Reduces funding for an internet safety education initiative, Prevent Child Abuse LA. Total recommended is \$125,000.	-\$113,000	-\$113,000	0
04b - 141	Justice	Office of Attorney General	Reduces funding for the Capital Area Legal Services Corporation, which provides civil legal services for the poor. FY 08 budget was \$250,000. FY 09 recommendation for Capital Area Legal Services is \$125,000.	-\$125,000	-\$125,000	0
04b - 141	Justice	Office of Attorney General	Reduces funding from Riverboat Gaming Enforcement Fund to reflect anticipated expenditures of \$3,022,851.	\$0	-\$400,000	0
Major Reductions for Justice				-\$339,492	-\$739,492	0
04c - 146	Lieutenant Governor	Office of Lieutenant Governor	Non-recurring SGF funding provided for the VolunTourism Campaign to combine volunteer service with travel to a destination in LA. This was a new initiative in FY 08. Activity to be absorbed in LA Serve funding.	-\$122,500	-\$122,500	0
04c - 146	Lieutenant Governor	Office of Lieutenant Governor	Non-recurring SGF funding provided to build a Volunteer LA Online Network that matches volunteers with opportunities to serve. This was a new initiative in FY 08. Activity to be absorbed in LA Serve funding.	-\$220,543	-\$220,543	0
Major Reductions for Lieutenant Governor				-\$343,043	-\$343,043	0
04e - 158	Public Service Commission	Public Service Commission	Reduces budget authority for acquisitions and major repairs in all programs to prioritize expenditures and increase accountability. This reduction removes all funding for acquisitions and major repairs excluding items for information technology.	\$0	-\$176,975	0
Major Reductions for Public Service Commission				\$0	-\$176,975	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Reduces SGF funding for special legislative projects added during the FY 08 budget development process. These projects include: Alternative Energy Cogeneration Initiative - \$75,000; LA Agricultural Finance Authority (LAFA) construction of facility for use by Zachary - \$100,000; LAFA Greenhouse Project - \$30,000.	-\$205,000	-\$205,000	0
04f - 160	Agriculture & Forestry	Office of Agriculture & Forestry	Reduction within the Boll Weevil Eradication Fund to reflect FY 09 projected revenue collections, which are projected to be approximately \$1.8M in FY 09. The Boll Weevil Eradication Fund is utilized to fund the Boll Weevil Eradication Program, which will cost approximately \$7.2M in FY 09. There are various reasons as to why there will be a decrease in Boll Weevil Eradication Fund collections. 1.) Overall reduction in cotton acreage from 650,000 to 300,000 is causing revenues from the \$6 per assessment per acre to decrease from \$3.9M to \$1.8M, 2.) USDA Grant providing funding in the amount of \$1.2M will be completely expended in Fall 2008, 3.) In locations where corn and soybeans were planted in place of cotton, the boll weevil population increased in the existing cotton plants, which will require additional spraying in 2009. Included within Act 19 (HB 1) of 2008 is a projected \$5.4M shortfall in the Boll Weevil Eradication Program for FY 09 that has not been supplemented with SGF or another means of financing within Act 19. Act 511 (HB 1116) of 2008 is a supplemental appropriation that provides \$2M for the Department to address Boll Weevil Program needs in FY 08. The Division of Administration (DOA) is recommending the Department refinance its existing debt structure, which is currently paid with \$12M from racetrack slots, to free up additional monies to fund the projected FY 09 shortfall within the Boll Weevil Program. The Department disagrees with this recommendation. To the extent the Department does not borrow any more funding, all debt shall be paid by FY 18. <u>Included within Act 511 (HB 1287) of 2008 is \$5.4M of SGF for the Boll Weevil shortfall in FY 09. These FY 08 monies will be carried forward into FY 09 in August 2008 to alleviate the \$5.4M shortfall in FY 09. This plan is contingent upon the approval of a Carry Forward BA-7 by the Joint Legislative Committee on the Budget (JLCB).</u>	\$0	-\$8,681,370	0
Major Reductions for Agriculture & Forestry				-\$205,000	-\$8,886,370	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
04g - 165	Insurance	Commissioner of Insurance	This adjustment represents the Discretionary Reduction Plan submitted to the House Appropriations, Subcommittee on Business Development. This reduction will impact the following expenditure categories: travel - \$31,709, supplies - \$16,589, professional services - \$97,225, other charges - \$4,500, acquisitions - \$38,980. Ordinarily the Department of Insurance (DOI) reverts to the SGF approximately \$5M to \$9M of excess SGR collections at the end each fiscal year. Reversions are those fee collections in excess of expenditures and encumbrances. To the extent the DOI does not have any approved SGR BA-7s during FY 09, by including this adjustment in the DOI's FY 09 budget will most likely increase the reversions to the SGF in the amount of \$189,003. The past 5 fiscal year reversions to the SGF by the DOI are: FY 03 - \$6,739,687 FY 04 - \$7,512,254 FY 05 - \$9,049,577 FY 06 - \$8,423,244 FY 07 - \$9,331,509	\$0	-\$189,003	0
Major Reductions for Insurance				\$0	-\$189,003	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of a one-time federal Economic Development Administration (EDA) grant used for hurricane recovery assistance. The grant was used for economic development organizations, technical assistance providers, and business counseling centers to provide assistance to displaced businesses.	\$0	-\$500,000	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of one-time SGF funding to New Orleans Cold Storage for transportation drayage due to closure of MRGO. In January, the Port of New Orleans approved a contract with an engineering firm to design a new facility for New Orleans Cold Storage (a poultry exporting company). The Port of New Orleans and the state of LA are in negotiations with New Orleans Cold Storage on ways to help the company build a new storage facility and keep the company operating in New Orleans.	-\$1,000,000	-\$1,000,000	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of SGF funding to the LA Minority Business Council (LMBC). Founded in 1973, the LMBC (formerly Gulf South Minority Supplier Development Council) was formed to assist major corporations in developing, enhancing and expanding minority vendor programs by integrating minority business enterprises (MBEs) into corporate purchasing practices.	-\$150,000	-\$150,000	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of one-time SGF funding provided to the Northeast LA Economic Alliance to market the Franklin Farms property.	-\$400,000	-\$400,000	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of SGF funding provided to the LA Technology Park. FY 08 was the last year for which funding was required under a cooperative endeavor agreement between the LA Technology Park and the DED.	-\$2,773,791	-\$2,773,791	0
05 - 252	Economic Development	Office of Business Development	Reduction in IAT funding provided to the Microenterprise Initiative from TANF funds transferred from the DSS. The initiative's intent is to help prepare citizens to become economically self-sufficient through self-employment by enhancing their access to business capital, technical assistance, and training. Assistance in FY 09 is reduced to \$600,000. The DSS has less TANF funds to distribute and reduced allocations accordingly.	\$0	-\$150,000	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of Statutory Dedicated funding from the Rapid Response Fund for 2 economic development projects. The projects are Oceanerring International (\$2M) and ERA Helicopters (\$2.14M). The DED provided "seed" funds for the 1st invoice of the 2nd round of the Recovery Grant & Loan Program awards in FY 07. This seed funding was necessary because the Office of Community Development (OCD) was unable to reimburse these entities prior to the end of the fiscal year.	\$0	-\$4,144,080	0
05 - 252	Economic Development	Office of Business Development	Non-recurrence of SGF funding provided to the LA Partnership for Technology (LPT). The LPT, created in 1989, is a private nonprofit organization devoted to the growth and diversification of LA's economy. It pursues this objective by working with representatives of business and industry, academia, and government to advance innovation, and work with high growth technological companies.	-\$500,000	-\$500,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

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05 - 252	Economic Development	Office of Business Development	Non-recurrence of SGF funding provided for the following special legislative projects: Allen Parish Business & Industrial Park (\$100,000); Baton Rouge Black Chamber of Commerce (\$25,000); Caddo Parish Commission for the Center for Business Research at LSU-S (\$150,000); Caddo Parish Commission for the American Humanic Center at LSU-S (\$10,000); city of Donaldsonville (\$5,000); city of Gretna for economic development (\$50,000); Community Capacity Project-LANO North (\$100,000); Consortium for Education, Research & Technology of North LA (\$100,000); Coordinating & Development Corp (\$350,000); Franklin Parish Economic Development Foundation (\$50,000); Greater New Orleans Rehabilitation Corp (\$50,000); Algiers Development Corporation (\$100,000); Lafayette Economic Development Authority for MEIMAR Project (\$397,500); Life Economic Development Corp (\$150,000); LSU-S for the Animation Program (\$300,000); Mid-City Redevelopment Alliance, Inc. in Baton Rouge (\$60,000); New Orleans Downtown Development District (\$35,000); River Parishes Community Development Foundation (\$350,000); South LA Economic Council (\$150,000); Southern Hills Business Association (\$75,000); St. Bernard Economic Development Foundation (\$90,000); and Wood Products Development Foundation (\$75,000).	-\$2,722,500	-\$2,722,500	0
05 - 252	Economic Development	Office of Business Development	Reduces funding to the Business Development Program. This amount is based on a recommendation by the Appropriations Subcommittee on Business Development.	-\$500,000	-\$500,000	0
05 - 252	Economic Development	Office of Business Development	Eliminates funding for the following special legislative: Ascension Economic Development Corporation (\$75,000); Gretna Economic Development Association, Ltd. (\$50,000); town of Walker (\$55,000); and LA Minority Business Council (\$150,000).	-\$330,000	-\$330,000	0
Major Reductions for Economic Development				-\$8,376,291	-\$13,170,371	0
06 - 262	Culture, Recreation & Tourism	Office of the State Library	Replaces Federal funds that can no longer be utilized for general operating expenses with SGF.	\$264,000	\$0	0
06 - 262	Culture, Recreation & Tourism	Office of the State Library	Non-recurrence of a federal grant. The LA Gumbo was a federal grant awarded by the Institute of Museum & Library Services. This award gave educators, students, and independent leaders across the nation a taste of LA's hidden treasure by digitizing vintage jazz, radio broadcasts, interviews and performances, musical instruments, Acadian textiles, costumes, flags, parade bulletins and posters, historical paintings and maps, photographs, documents, science and technology artifacts held by the LA State Library, the LA State Museum, and the Historic New Orleans Collection. Digital resources will be accessible via the LA Digital Library website.	\$0	-\$470,105	0
06 - 263	Culture, Recreation & Tourism	Office of State Museum	Non-recurring SGF funding that provided resources to replace exhibitions that are aging or that were damaged or destroyed in the hurricanes of 2005.	-\$415,000	-\$415,000	0
06 - 263	Culture, Recreation & Tourism	Office of State Museum	Reduction in SGF funding for special legislative projects. Projects include New Orleans African American Museum of Art, Culture, & History (\$50,000); LA Cypress Sawmill Museum for acquisition of exhibits (\$50,000); Civil Rights Museum (\$215,000); Jean Lafitte Marine Fisheries Museum (\$75,000); Lake Pontchartrain Basin Maritime Museum (\$50,000); Northeast LA Children's Museum (\$100,000); LA Arts and Science Museum (\$100,000); National World War II Museum for the Stephen E. Ambrose Memorial Plaza (\$75,000); Children's Museum of Acadiana (\$20,000); George & Leah McKenna Museum of African American Art (\$50,000); Arna Bontemps African-American Heritage Museum (\$100,000); and Odell S. William Now & Then Museum of African-American History in Baton Rouge (\$10,000).	-\$895,000	-\$895,000	0
06 - 263	Culture, Recreation & Tourism	Office of State Museum	Eliminates all funding for temporary registorial curators (4 job appointments), that was included in the current year. These positions were used to facilitate the museum's capacity to bring older collection loans into compliance with Museum Industry Best Practices and Standards in a short period of time.	-\$150,000	-\$150,000	0
06 - 264	Culture, Recreation & Tourism	Office of State Parks	Reduction in SGF funding for the following special legislative projects for the city of Alexandria for operating expenses of the Alexandria Zoological Park (\$175,000) and Kent Plantation House in Alexandria (\$46,000).	-\$221,000	-\$221,000	0
06 - 265	Culture, Recreation & Tourism	Office of Cultural Development	Non-recurring Federal funding from the Hurricane Disaster Relief grant under P.L. 110-28. \$10M was awarded to LA's Relief Historic Preservation Office for a 4 year program to provide expedited archaeological site reviews and individual grants to owners of historic properties damaged in hurricanes Katrina and Rita.	\$0	-\$5,389,896	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
06 - 265	Culture, Recreation & Tourism	Office of Cultural Development	Reduction in SGF funding for special legislative projects. Projects include Mainstreet programs in the towns of Rayville (\$19,500); Lake Providence (\$19,500); Tallulah (\$19,500); downtown development activities in Madison, Richland, East Carroll, Ouachita, Tensas, and Concordia parishes (\$50,000); Cave Theater & Poverty Point Trade Days in Delhi (\$50,000); downtown development and festival promotions in the towns of Oak Grove (\$10,000), Killbourne (\$5,000), Pioneer (\$5,000), Epps (\$5,000), and Forest (\$5,000); Northeast Development Foundation for promotion of the Bluegrass Festival (\$10,000); Cane River National Heritage Area in Natchitoches (\$110,000); Princess Theater in Franklin Parish (\$30,000); LA Sports Hall of Fame Foundation (\$250,000); Return Home Project and Culturist/Efforts of Grace, Inc. (\$80,000); Red River Radio Program at LSU-Shreveport (\$50,000); Southern University-New Orleans Urban Tourism & Marketing Program (\$50,000); Friends of the E.D. White Historic Site in Lafourche Parish (\$30,000); LA Petite Theater in New Orleans (\$50,000); Gretna Heritage Festival (\$50,000); Jefferson Performing Arts Society (\$100,000); Marquis de Lafayette celebration (\$100,000); Old Algiers Mainstreet Program (\$100,000); Pandemoniac Foundation for preservation of LA cultural heritage (\$25,000); Young Aspirations/Young Artists (YA/YA) for Floodwall (\$10,000); Youth in Action for the Second & Dryades Mardi Gras Indian Federation (\$25,000); hurricane preparedness for the Audubon Nature Institute (\$95,000); and Winnsboro Museum (\$25,000).	-\$1,378,500	-\$1,378,500	0
06 - 267	Culture, Recreation & Tourism	Office of Tourism	Reduction in SGF funding for special legislative projects. Projects include Sabine River Authority for fishing tournaments and other recreational events (\$50,000); Ascension Parish Bicentennial (\$100,000); city of Bastrop for the Mainstreet Program and the Morehouse Parish Visitor's Center (\$75,000); St. Helena Parish Tourist Commission (\$90,000); Natchitoches Christmas Festival (\$25,000); Natchitoches Jazz and R & B Festival (\$25,000); city of Natchitoches for recreational purposes (\$250,000); Greater New Orleans Sports Foundation to be used for the Bayou Classic in New Orleans (\$100,000); and Strand Theater (\$200,000).	-\$915,000	-\$915,000	0
06 - 267	Culture, Recreation & Tourism	Office of Tourism	Eliminates funding to the Greater New Orleans Sports Foundation to be used for the 2008 Arena Football Bowl (\$750,000 SGF), NBA All Star Game (\$2.5M SGR), and NCAA Women's Basketball Regional Final (\$25,000 SGR).	-\$750,000	-\$3,275,000	0
Major Reductions for Culture, Recreation & Tourism				-\$4,460,500	-\$13,109,501	0
07 - 273	Transportation & Development	Administration	Reduction of El Camino Real East/West Corridor Commission operational funding in the amount of \$17,500. The purpose of this commission is to secure funding to develop the El Camino Corridor between Vidalia and Toledo Bend which impacts US Hwy 84 and Hwy 6. Funding for FY 09 is \$82,500.	-\$17,500	-\$17,500	0
07 - 273	Transportation & Development	Administration	Non-recurring SGF funding for special legislative projects which includes \$125,000 for the Lafayette Metropolitan Expressway Commission, and \$46,600 for the Office of the Secretary to contract with the LA State Penitentiary for the Tunica Trace Scenic Area Preservation Committee for costs associated with a beautification project.	-\$171,600	-\$171,600	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Non-recurring SGF funding for special legislative projects in the Water Resources & Intermodal Program, including \$150,000 for operating expenses of the Grand Bayou Reservoir District; \$100,000 for the Sabine River Authority; \$50,000 for operating expenses of the Poverty Point Reservoir Commission; \$150,000 for the Fifth Levee District for maintenance and construction expenses; \$25,000 for operating expenses for the Bayou Desiard Lake Restoration Commission; \$50,000 for the Red River, Atchafalaya & Bayou Boeuf Levee District for a study; and \$100,000 for Plaquemines Parish for a drainage study.	-\$625,000	-\$625,000	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Reduction of SGF funding for the Aviation Program for the Madison Parish Police Jury for T-hangars at the Tallulah-Vicksburg Regional Airport. Funding for FY 09 is \$36,100.	-\$13,900	-\$13,900	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Non-recurring funding (\$5.3M SGF, \$700,000 SGR and \$1.3M Federal) for operational expenses of the LA Swift bus service that provided mass transit services between Baton Rouge and New Orleans post hurricane. As of 3/18/08 a total of 92,057 passenger trips were provided in FY 08. Since October 2005, the LA Swift service has provided 474,059 passenger trips (as of same date).	-\$5,300,000	-\$7,300,000	0
07 - 275	Transportation & Development	Office of Public Works/Interm. Transportation	Decreases SGF funding for the LA Airport Authority (LAA) for operating expenses. The LAA was created by Act 508 of 1992 for the specific purpose of securing a site and constructing a new state-of-the-art, Intermodal Transportation Center/International Airport between New Orleans and Baton Rouge.	-\$400,000	-\$400,000	0
07 - 276	Transportation & Development	Office of Engineering	Non-recurring SGF funding for special legislative projects in the District Operations Program including \$150,000 for turn lanes at US Hwy 84 and LA Hwy 75 in the city of Mansfield; \$100,000 for a highway traffic survey of US Hwy 171 in Leesville; \$75,000 for cleaning Bayou Chenal (\$25,000) and Bayou Portage (\$50,000) in Pointe Coupee Parish; \$140,000 for in-house maintenance/overlay of roads in Pointe Coupee Parish; and \$40,000 for railroad crossing arms in the community of Batchelor in Pointe Coupee Parish.	-\$505,000	-\$505,000	0
07 - 276	Transportation & Development	Office of Engineering	Non-recurring SGF funding for special legislative project in the Crescent City Connection Marine Trust (CCCD-Marine) Program for continuous operation of the Algiers/Canal ferry between the hours of 6 a.m. and 12 midnight, 7 days a week.	-\$400,000	-\$400,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
07 - 276	Transportation & Development	Office of Engineering	Eliminates Statutory Dedicated funding from the TTF-Regular for the cancellation of an IAT agreement, effective FY 09, with the Department of Public Safety & Corrections (DPS&C) for 800 MHZ radio annual usage fees.	\$0	-\$200,040	0
Major Reductions for Transportation & Development				-\$7,433,000	-\$9,633,040	0
08B - 418	Public Safety	Office of Management & Finance	Non-recurring one-time funding for the Uniform Construction Code Council's (UCCC) local government implementation of the Statewide Uniform Building Code. These monies were budgeted in FY 08 from the Statutory Dedicated State Emergency Response Fund (SERF). There is approximately \$18.6M allocated for assistance with the statewide building code implementation that has not yet been appropriated. Those amounts include: *\$4.6M - remaining funding allocation of the original \$11.4M federal allocation awarded in FY 07 to the DOA. This funding is a small portion of the original \$10.4B in federal monies awarded to the LA Recovery Authority (LRA)/Disaster Recovery Unit (DRU). *\$14M - Hazard Mitigation Program funds awarded to the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) in March 2007. <i>There is no funding in Act 19 of 2008 (HB 1) for additional building code implementation and enforcement other than the funding of the operational expenditures of the UCCC, which is approximately \$300,000 SGF.</i>	\$0	-\$3,500,000	0
08B - 419	Public Safety	Office of State Police	Non-recurring one-time SGF funding provided to various crime labs. These monies provided \$90,000 each to the following entities: St. Tammany Parish Coroner's Forensic Center; Jefferson Parish Sheriff's Office Crime Lab; Jefferson Parish Regional DNA Laboratory; St. Tammany Parish Sheriff's Office Crime Laboratory; and the State Police Crime Lab.	-\$450,000	-\$450,000	0
08B - 419	Public Safety	Office of State Police	Non-recurring one-time SGF funding provided to the 4 regional crime labs. In FY 08, the \$2M provided \$500,000 each to the New Orleans Crime Lab, Southwest LA Crime Lab, Acadiana Crime Lab and North LA Crime Lab. In FY 05 and FY 06, these entities received Federal funding from State Police via the U.S. Department of Justice grant programs in the total amount of \$746,224 in FY 05 and \$512,862 in FY 06 (DNA Backlog Reduction Grant and DNA Capacity Enhancement Grant).	-\$2,000,000	-\$2,000,000	0
08B - 419	Public Safety	Office of State Police	Non-recurring one-time funding for the replacement of 1,000 ballistic vests at a cost of \$591,000 SGR and 760 tasers at a cost \$750,500 SGF. During the FY 08 budget development process, the legislature appropriated one-time funding for these one-time supplies/acquisitions purchases in FY 08.	-\$750,500	-\$1,341,500	0
08B - 419	Public Safety	Office of State Police	State Police has been coordinating the purchases of homeland security equipment for local agencies. These monies were granted to State Police, who would in turn reimburse local law enforcement agencies for approved items. The State Police will no longer be acting as the pass-through for these funds in FY 09. This IAT funding was received from the Governor's Office of Homeland Security & Emergency Preparedness (GOHSEP) who received this funding from the U.S. Department of Homeland Security. The GOHSEP will now act as the pass through agency for such funds.	\$0	-\$25,053,364	0
08B - 422	Public Safety	Office of State Fire Marshal	Funding for Caddo Fire District 6 represents a \$15,000 reduction over FY 08 budget of \$50,000 for fire safety equipment. Total funding recommended for FY 09 is \$35,000.	-\$15,000	-\$15,000	0
Major Reductions for Public Safety				-\$3,215,500	-\$32,359,864	0
08C - 403	Youth Services	Office of Youth Development	Non-recurring SGF funding for special projects: <i>Administration Program</i> (\$175,000) - Carville Job Corps for the Mentor Program <i>Contract Services</i> (\$15,000) - Baton Rouge Walk of Faith Collaboration, Inc. (\$35,000) - Way Out Program (\$25,000) - Youth Services Planning Board for the 4th Judicial District in Ouachita and Morehouse parishes	-\$250,000	-\$250,000	0
08C - 403	Youth Services	Office of Youth Development	Contract Services - Non-recurring IAT (\$5,236,969) from the DSS, Office of Community Services (OCS), and funding from the Statutory Dedicated Youthful Offender Management Fund (\$5,236,969) based on estimated revenue projections. Replaces a portion of the funding with \$8,893,722 SGF. The Contract Services Program is funded through the Youthful Offender Management Fund.	\$8,893,722	-\$1,580,216	0
Major Reductions for Youth Services				\$8,643,722	-\$1,830,216	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Non-recurring carryforward Social Services Block Grant (SSBG) funds from FY 07 that expired in FY 08. These funds provided services to clients with developmental disabilities in Jefferson Parish, and included personal support services, case management, and crisis intervention.	\$0	-\$150,000	0
09 - 300	Health & Hospitals	Jefferson Parish Human Services Authority	Non-recurring SGF funding for the Westbank Association for Retarded Citizens (ARC). Total funding for FY 09 is \$60,000.	-\$90,000	-\$90,000	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. The funds provided behavioral/mental health services (\$757,377) and addictive disorders (\$144,282).	\$0	-\$901,659	0
09 - 301	Health & Hospitals	Florida Parishes Human Services Authority	Non-recurring carryforward SSBG funds from FY 07 that expired in FY 08. These funds provided services to clients with developmental disabilities, and included personal support services, case management, and crisis intervention. Annualization of a BA-7 for \$157,500 IAT approved in December 2007 will allow the FPHSA to continue to provide services to clients with developmental disabilities at the current levels. The IAT funding will be transferred from the Office of Citizens with Developmental Disabilities (OCDD).	\$0	-\$150,000	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/2007. The funds provided behavioral/mental health services (\$975,677), developmental disabilities (\$63,338), and addictive disorders (\$218,795). Of the \$1.26M IAT allocation, \$765,199 was replaced with SGF and will allow the CAHSD to continue to fund mobile mental health crisis units. The remaining \$492,611 was used for one-time building modifications at the Barbara Dumas Mental Health Center.	\$765,199	-\$492,611	0
09 - 302	Health & Hospitals	Capital Area Human Services District	Non-recurring carryforward SSBG funds from FY 07 that expired in FY 08. These funds were used for one-time expenditures as follows: \$1.6M for the purchase of a building to provide mental health emergency room services at Earl K. Long Medical Center (24 beds, up to 72 hr stay); and \$150,000 for one-time family support, and special needs services for developmentally disabled individuals (wheel chair lifts, ramps, diapers, etc.).	\$0	-\$1,750,000	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	Reduces SSBG funding for services that include counseling for victims of domestic violence, grief and trauma work with school children, early intervention services for youth, elderly peer support, behavioral health, developmental disabilities, case management and counseling services.	\$0	-\$1,594,315	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. The funds provided behavioral/mental health services (\$1,112,877), developmental disabilities (\$100,000), and addictive disorders (\$405,315).	\$0	-\$1,618,192	0
09 - 304	Health & Hospitals	Metropolitan Human Services District	Non-recurring carryforward SSBG funds from FY 07 that expired in FY 08. These funds provided services to clients with developmental disabilities in the MHSD area, and included personal support services, case management, and crisis intervention.	\$0	-\$100,000	0
09 - 305	Health & Hospitals	Medical Vendor Administration	Non-recurring one-time funding (\$5M SGF and \$5M Federal) for Information Technology (IT) initiatives. Funding is based on a statewide IT plan and will be used for electronic medical records and other data sharing between providers in the piloted areas of Lake Charles, New Orleans, and Shreveport. The source of Federal funding is the Medicaid Administration grant from the CMS.	-\$5,000,000	-\$10,000,000	0
09 - 306	Health & Hospitals	Medical Vendor Payments	Adjusts SGF funding (\$9,576,061 SGF and \$23,801,633 Federal) in the Uncompensated Care Costs (UCC) Program due to the decreased need for UCC as reflected in the various agencies recommended budgets.	-\$9,576,061	-\$33,377,694	0
09 - 307	Health & Hospitals	Office of the Secretary	Non-recurring SGF funding for special legislative projects, including the Biomedical Research Foundation (\$100,000); Sickle Cell Disease Association (\$45,000); Mays Foundation & Baton Rouge Primary Care Collaborative (\$50,000); and LaSalle General Hospital (\$85,000).	-\$280,000	-\$280,000	0
09 - 320	Health & Hospitals	Office of Aging and Adult Services	Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. The funding was used to prevent or reduce inappropriate care to individuals with developmental disabilities that were affected by hurricanes Katrina and Rita.	\$0	-\$250,000	0
09 - 320	Health & Hospitals	Office of Aging and Adult Services	John J. Hainkel, Jr. Home & Rehabilitation Center Program - Non-recurring one-time SGF funding for unemployment benefits for individuals affected by Hurricane Katrina.	-\$177,990	-\$177,990	0
09 - 326	Health & Hospitals	Office of Public Health	Personal Health - This adjustment reduces excess IAT budget authority received from Medicaid in the Family Planning Program.	\$0	-\$4,000,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 326	Health & Hospitals	Office of Public Health	Personal Health Program - Non-recurring SGF funding for Riser School in West Monroe for school-based health care (\$100,000) and New Orleans Inner City for the HIV, AIDS, Cancer and Wellness Project (\$80,000).	-\$180,000	-\$180,000	0
09 - 326	Health & Hospitals	Office of Public Health	Environmental Health Program - Non-recurring Federal funding from the Federal Environmental Protection Agency (EPA) Capitalization grant which was used to provide low interest loans to public water systems.	\$0	-\$1,000,000	0
09 - 326	Health & Hospitals	Office of Public Health	Personal Health Services Program - This adjustment reduces funding (SGF \$11,724, IAT \$7,841, SGR \$4,532, Fed \$26,263) and one (1) position due to early retirement.	-\$11,724	-\$50,360	-1
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - Non-recurring federal Substance Abuse & Mental Health Services Administration grant approved by FEMA to provide counseling services to individuals affected by hurricanes Rita (\$1,863,534) and Katrina (\$30,304,887).	\$0	-\$32,168,421	0
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - Non-recurring carryforward SSBG funds from FY 07 that expired in FY 08. The funding was used for crisis intervention development, to purchase a modular building to provide emergency room extension services in the Capital Area Human Service District, and for USPHS staff.	\$0	-\$2,547,844	0
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - Non-recurring Community-Integrated Personal Assistance Services & Supports (C-PASS) federal grant award which expired in March 2007. This grant was used to provide a training module for personal care attendants and psychiatric rehabilitation personnel to deliver personal assistant services to individuals with a serious mental illness.	\$0	-\$194,981	0
09 - 330	Health & Hospitals	Office of Mental Health (State Office)	Community Mental Health Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. The funds provided behavioral health services for mental health needs, including mobile crisis intervention teams, crisis hospital diversion beds, electronic medical records, and post-traumatic stress counseling.	\$0	-\$3,707,686	0
09 - 331	Health & Hospitals	Office of Mental Health - Area C	Patient Services Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. This funding was used to provide mental health services to children, youth, and adults that were affected by hurricanes Katrina and Rita. Specific services included functional family therapy, youth outreach, crisis respite, benefits assistance, consumer education, and inpatient services.	\$0	-\$2,468,779	0
09 - 332	Health & Hospitals	Office of Mental Health - Area B	Administration Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. This funding was used to provide mental health services to children, youth, and adults that were affected by hurricanes Katrina and Rita. Specific services included mental health crisis prevention, intensive case management, mobile crisis teams, crisis residential services, crisis transportation, school-based services, juvenile justice programs, planned respite care, and family counseling.	\$0	-\$393,999	0
09 - 332	Health & Hospitals	Office of Mental Health - Area B	Patient Services Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. This funding was used to provide mental health services to children, youth, and adults that were affected by hurricanes Katrina and Rita. Specific services included mental health crisis prevention, intensive case management, mobile crisis teams, crisis residential services, crisis transportation, school-based services, juvenile justice programs, planned respite care, and family counseling.	\$0	-\$1,800,000	0
09 - 332	Health & Hospitals	Office of Mental Health - Area B	Patient Services Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. This funding was used to provide mental health services to children, youth, and adults that were affected by hurricanes Katrina and Rita. Specific services included mental health crisis prevention, intensive case management, mobile crisis teams, crisis residential services, crisis transportation, school-based services, juvenile justice programs, planned respite care, and family counseling.	\$0	-\$3,006,001	0
09 - 332	Health & Hospitals	Office of Mental Health - Area B	Client Services Program - This adjustment reduces funding and 3 positions due to early retirement.	-\$142,763	-\$142,763	-3
09 - 333	Health & Hospitals	Office of Mental Health - Area A	Administration Program - Non-recurring SSBG funding that expired in FY 08. The funding was used to purchase a portable generator for the New Orleans Adolescent Hospital (NOAH) and to renovate campus residences at Southeast LA Hospital.	\$0	-\$564,000	0
09 - 333	Health & Hospitals	Office of Mental Health - Area A	Patient Services Program - Non-recurring SSBG funds used for hurricane recovery. The SSBG Program ended 9/30/07. This funding was used to provide mental health services to children, youth, and adults that were affected by hurricanes Katrina and Rita. Specific services included mental health crisis prevention, intensive case management, mobile crisis teams, crisis residential services, crisis transportation, school-based services, planned respite care, and family counseling.	\$0	-\$806,770	0
09 - 333	Health & Hospitals	Office of Mental Health - Area A	Client Services Program - This adjustment reduces funding and 2 positions due to early retirement.	-\$80,281	-\$80,281	-2

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Administration Program - Non-recurring Federal funding from the Federal Rebalance grant which expires in September 2008. This grant was used to assist with the transition of individuals from institutional to community settings and to provide consultants to assist public and private intermediate care facilities with 16 plus beds in developing plans to downsize.	\$0	-\$70,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Administration Program - Non-recurring SSBG funding that expired in FY 08. The funding was used for the transition of clients from the Metropolitan Development Center (MDC) to community based settings. The funding also was used to develop a resource center at MDC.	\$0	-\$45,862	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Administration Program - Non-recurring SGF funding for Special Olympics LA, Inc.	-\$250,000	-\$250,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Community Based Program - Non-recurring SSBG funding that expired in FY 08. These funds were used to transition clients from the MDC to community settings. Funds were also used to develop a resource center at MDC.	\$0	-\$1,071,062	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Community Based Program - Non-recurring SSBG funding that expired in FY 08. This funding was used to provide transition support teams to assist clients moving from the MDC to community-based settings and to purchase vans to assist with transportation of clients.	\$0	-\$1,000,000	0
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Pinecrest Supports and Services Center Program - This adjustment reduces funding and 1 position due to early retirement. The source of IAT is Medical Vendor Payments. The source of IAT is Medicaid.	\$0	-\$46,107	-1
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Acadiana Supports and Services Center Program - This adjustment reduces funding and 1 position due to early retirement. The source of IAT is Medicaid.	\$0	-\$40,169	-1
09 - 340	Health & Hospitals	Office for Citizens w/ Developmental Disabilities	Greater New Orleans Supports and Services - This adjustment reduces funding and 2 positions pursuant to ACT 676 early retirement.	\$0	-\$71,669	-2
09 - 351	Health & Hospitals	Office for Addictive Disorders	Non-recurring SGF funding for special legislative projects that were funded in FY 08 as follows: \$200,000 for the Cenikor Foundation Inc., in Baton Rouge that provides assistance to individuals that suffer from substance abuse problems and cannot pay for such services; \$20,000 for the Free Indeed Intense Outpatient Clinic, which is a faith based organization in Baton Rouge that treats individuals in the area who have addiction, substance abuse, and other related disorders; and \$25,000 for the Living Witness/Nehemiah Rehabilitation Program in New Orleans that provides drug rehabilitation for men in conjunction with other community programs.	-\$245,000	-\$245,000	0
09 - 351	Health & Hospitals	Office for Addictive Disorders	Non-recurring one-time Statutory Dedicated funding from the Compulsive Problem & Gaming Fund for one-time expenditures in the Prevention & Education Program.	\$0	-\$746,458	0
Major Reductions for Health & Hospitals				-\$15,268,620	-\$107,630,673	-10

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
10 - 355	Social Services	Office of Family Support	Client Payments - Non-recurring supplemental SSBG funding that was used to provide training and technical assistance to new and existing child care providers and to refurbish and rebuild child care centers that were destroyed by the hurricanes.	\$0	-\$5,049,527	0
10 - 355	Social Services	Office of Family Support	Client Services - This adjustment reduces FEMA funds that were used to reimburse the agency for equipment and furniture lost or damaged in offices that were located in hurricane impacted areas.	\$0	-\$361,840	0
10 - 355	Social Services	Office of Family Support	Admin & Support Program - This adjustment reduces federal budget authority that was incorrectly budgeted for the Iberville Building and LaSalle Parking Garage.	\$0	-\$484,622	0
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - This adjustment reduces FEMA funds that were used to reimburse the agency for equipment and furniture lost or damaged in offices that were located in hurricane impacted areas.	\$0	-\$963,010	0
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - Non-recurring SGF funding for United Christian Fellowship Church for the Youth Program (\$65,000) and the Urban Support Agency for community services (\$190,000).	-\$255,000	-\$255,000	0
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - Non-recurring supplemental SSBG funding, which was used for document imaging and department-wide services such as monitoring, oversight, auditing, and federal reporting needed for SSBG fund utilization.	\$0	-\$2,181,755	0
10 - 357	Social Services	Office of Secretary	Admin & Executive Program - Non-recurring one-time SGR funding for the Annie E. Casey Foundation grant, which was provided to hire 2 consultants to assist with the planning for No Wrong Door.	\$0	-\$75,000	0
10 - 357	Social Services	Office of Secretary	Administration and Executive Support Program - This adjustment reduces funding for A Comprehensive Enterprise Social Services System (ACCESS) for ongoing software maintenance. ACCESS is a department-wide database which is being implemented in phases to provide a collaborative information sharing system for staff, clients, and stake holders. The source of IAT is State General Fund from the Office of Community Services.	\$0	-\$1,500,000	0
10 - 357	Social Services	Office of Secretary	This adjustment reduces funding for the Arc of Caddo-Bossier. FY 08 funding was \$150,000 and FY 09 funding is \$100,000 in Schedule 09-340, resulting in a net reduction of \$50,000.	-\$50,000	-\$50,000	0
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - Non-recurring one-time supplemental SSBG funds (\$100,053,760) and Title IV-E federal budget authority (\$8,353,760). The reduction in Title IV-E funding reflects federal funds loss due to the Deficit Reduction Act. These funds were replaced with SGF in FY 08. Of the \$100,053,760 SSBG funds, \$58.3M were distributed to state agencies to use for hurricane relief efforts. The Office of Community Services used \$750,000 to assist clients with transportation, educational, and medical services. The remaining \$40.9M was excess SSBG budget authority that was carried forward to FY 08.	\$0	-\$108,353,760	0
10 - 370	Social Services	Office of Community Services	Admin & Support Program - Non-recurring SGF funding for special legislative projects for the Lower Algiers Community Center, Inc. (\$150,000), Bossier Kids Program (\$10,000), Community Against Drugs & Violence, Inc. (\$10,000), Grandparents Raising Grandchildren Information Center of LA (\$25,000), Baton Rouge Children's Advocacy Group (\$50,000), Turn Around Program (\$10,000), and United Community for Change (\$10,000).	-\$265,000	-\$265,000	0
10 - 370	Social Services	Office of Community Services	Child Welfare Services Program - This adjustment reduces funding for A Comprehensive Enterprise Social Services System (ACCESS) for ongoing software maintenance. ACCESS is a department-wide database which is being implemented in phases to provide a collaborative information sharing system for staff, clients, and stake holders.	-\$1,500,000	-\$1,500,000	0
10 - 374	Social Services	LA Rehabilitation Services	Voc Rehab Services Program - This adjustment reduces funding (\$1.7M SGF and \$6,281,221 Federal) in the Vocational Rehabilitation and Specialized (\$300,000 SGF) programs to provide a savings to the State.	-\$2,000,000	-\$8,281,221	0
10 - 374	Social Services	LA Rehabilitation Services	Spec Rehab Services Program - Non-recurring SGF funding for the LA Commission for the Deaf. This program provides services to approximately 60 individuals who have a dual sensory impairment (primarily deaf-blind) with limited access to their community. Services provided are personal services such as escorting consumers to the grocery store, post office, mall, etc.	-\$100,000	-\$100,000	0
Major Reductions for Social Services				-\$4,170,000	-\$129,420,735	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
11 - 431	Natural Resources	Office of Secretary	Decreases Statutory Dedicated funding from the Oilfield Site Restoration Fund for other charges contracts. This is to align the budget with updated projections for revenue collections and expenditure needs in FY 09. This activity has a remaining recommended funding level of \$5.5M.	\$0	-\$2,500,000	0
11 - 431	Natural Resources	Office of Secretary	Decreases Statutory Dedicated funding from the Fishermen's Gear Compensation Fund for other charges contracts. This is to align the budget with updated projections for revenue collections and expenditure needs in FY 09. This activity has a remaining recommended funding level of \$1M.	\$0	-\$1,452,572	0
11 - 431	Natural Resources	Office of Secretary	Eliminates funding for hydrilla weed control and monitoring at Henderson Lake. This activity was initially started in 2002 through the Atchafalaya Basin Program.	-\$175,000	-\$175,000	0
11 - 432	Natural Resources	Office of Conservation	Non-recurring IAT funding (\$1.5M) from the Department of Wildlife & Fisheries from federal appropriation (National Marine Fisheries Services) to provide technical assistance to states and industry in oyster bed and shrimp group rehabilitation, and to undertake cooperative research to monitor recovery of Gulf fisheries.	\$0	-\$1,500,000	0
11 - 432	Natural Resources	Office of Conservation	Reduction in funding to the Oil & Gas Regulatory Program for imaging of well file docket. Original funding was in the amount of \$200,000, thus leaving \$67,052 for the purpose of imaging the paper documents for the period of 1936 to 1970. The effect of this would be the reduction of the number of documents to be converted from 428,000 to 141,240.	-\$132,948	-\$132,948	0
11 - 435	Natural Resources	Office of Coastal Restoration	Non-recurring IAT agreements regarding the following: \$625,000 to Attorney General for legal assistance associated with outer continental shelf leasing, \$951 to Department of Agriculture & Forestry for vegetative planting, and \$150,000 to DOTD for a pilot program with the LSU Center for GeoInformatics to measure the centerline elevation of tidal levees in coastal parishes.	\$0	-\$775,951	0
11 - 435	Natural Resources	Office of Coastal Restoration	A decrease in one-time funding of IAT from the Department of Environmental Quality (DEQ) for the LA Coastal Pollution Control Program.	\$0	-\$127,544	0
Major Reductions for Natural Resources				-\$307,948	-\$6,664,015	0
12 - 441	Revenue	LA Tax Commission	Non-recurring of one-time IAT funding (\$1,750,000) to address the extraordinary number of tax appeals from Orleans Parish in FY 08. The source of IAT funding is SGR from the Tax Collection Program within the Office of Revenue. It was necessary to budget the funds as IAT to properly receive them from the Department of Revenue.	\$0	-\$1,750,000	0
Major Reductions for Revenue				\$0	-\$1,750,000	0
13 - 853	Environmental Quality	Office of Environmental Assessment	Non-recurring funding from the federal Environmental Protection Agency (EPA) grant that was used for special air projects and Gulf of Mexico Hypoxia.	\$0	-\$301,100	0
13 - 853	Environmental Quality	Office of Environmental Assessment	Reduces statutorily dedicated Environmental Trust Fund monies and eliminates 1 authorized position due to an early retirement in accordance with Act 672 of 2006. According to DEQ, this position was the staff level expert responsible for assisting in the Quality Control (QC) and Quality Assistance (QA) oversight, department level QA/QC coordination and management of all technical QA/QC matters associated with the collection, consolidation, analysis, and verification of laboratory QA/QC multimedia test data.	\$0	-\$90,525	-1
13 - 853	Environmental Quality	Office of Environmental Assessment	Reduces the Hazardous Waste Site Cleanup Fund budget authority for FY 09.	\$0	-\$3,000,000	0
13 - 855	Environmental Quality	Office of Management & Finance	Reduces the Waste Tire Management Fund budget authority for FY 09.	\$0	-\$1,000,000	0
Major Reductions for Environmental Quality				\$0	-\$4,391,625	-1

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
14 - 474	Labor	Office of Workforce Development	Non-recurrence of SGF funding for the pilot Unemployment Compensation Program for Domestic Violence Victims. This funding supported Act 421 (HB 963) of 2007. Act 421 created the "Lost Wage Benefits for Domestic Violence Act" that permits Unemployment Benefits for victims of domestic violence under certain circumstances.	-\$300,000	-\$300,000	0
14 - 474	Labor	Office of Workforce Development	Non-recurrence of one-time federal grants funding for job training and placement via the National Emergency Grant (NEG). The LDOL funded the YouthBuild USA Program, Corps Network, Regional Innovation Grants (RIGs), and assistance to workers displaced by the closing of the Tembec plan in West Feliciana Parish. Specifically, the LDOL used \$15M of this grant to assist New Orleans and surrounding parishes to provide hurricane cleanup and rebuilding and develop youth employment initiatives in the region. Also, a grant totaling \$550,000 was used to assist workers displaced by Tembec Corporation in obtaining retraining, placement assistance, support services, and relocation expenses.	\$0	-\$15,550,000	0
14 - 474	Labor	Office of Workforce Development	Elimination of SGF funding for the Joy Corporation. This program trains Workforce Investment Act (WIA) eligible youths ages 17 - 21 in the Baker, Zachary, Scotlandville area who do not attend school. The program focuses on the following skills: computer networking, professional development, job placement, and job retention.	-\$50,000	-\$50,000	0
14 - 474	Labor	Office of Workforce Development	Elimination of SGF funding for the New Orleans Industrialization Center. This program recruits and trains (construction trades) individuals from the New Orleans Criminal Justice System.	-\$300,000	-\$300,000	0
14 - 474	Labor	Office of Workforce Development	Reduction in Federal funding for the LA Claims and Tax System (LaCaTS) due to non-recurrence of one-time acquisitions costs related to developing LaCaTS.	\$0	-\$869,940	0
Major Reductions for Labor				-\$650,000	-\$17,069,940	0
16 - 513	Wildlife & Fisheries	Office of Wildlife	Non-recurring one-time SGF funding to the Avoyelles Parish Police Jury for the Spring Branch Wildlife Management Area to provide local match for a federal study. The purpose of the study was to create a management plan to improve the habitat in the Spring Bayou watershed. The study had a 50/50 cost share with the Corps of Engineers.	-\$350,000	-\$350,000	0
16 - 514	Wildlife & Fisheries	Office of Fisheries	Eliminates funding provided in FY 08 as one-time funding for the Rapides Parish Police Jury for aquatic weed control on Bayou Roberts.	-\$90,000	-\$90,000	0
Major Reductions for Wildlife & Fisheries				-\$440,000	-\$440,000	0
17 - 560	Civil Service	State Civil Service	Non-recurring IAT funding for development of the computerized On-line Employment Center.	\$0	-\$1,278,510	0
17 - 564	Civil Service	Division of Administrative Law	Removes one-time IAT funding from the Department of Labor (\$192,800) and Office of Community Development for the Road Home contract (\$250,000); and adds IAT funding from the Office of Community Development for the Small Rental Property Program contract (\$125,000).	\$0	-\$317,800	0
Major Reductions for Civil Service				\$0	-\$1,596,310	0
19A - 600	Higher Education	LSU - Board of Supervisors	LSU Board - Non-recurring SGF for the Truancy Assessment & Services Center middle school pilot program in Caddo Parish.	-\$200,000	-\$200,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	LSU HSCS - Eliminates SGF funding for the Northwest Community Health Care Center. These were pass through funds that were used to provide health care. Their loss does not affect the university operations.	-\$75,000	-\$75,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	LSU-S - Non-recurring one-time SGF funding provided for the LA Math & Science children's program.	-\$20,000	-\$20,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	LSU HSCS NO - Non-recurring one-time Statutory Dedicated funding from the Higher Education Initiatives Fund for major repairs and equipment replacement. These funds were used to enhance campus security and make critical repairs to all of the LSU medical school complexes in New Orleans. Their loss will not affect the operations of the agencies because they were used for one-time projects.	\$0	-\$5,996,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	UNO - This adjustment properly aligns SGR budget authority to more accurately reflect projected revenues. Most universities experienced a decrease in student enrollment because of increased admission standards so the schools will not be collecting as much tuition and fees.	\$0	-\$1,200,535	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19A - 600	Higher Education	LSU - Board of Supervisors	LSU-S - This adjustment properly aligns SGR budget authority to more accurately reflect projected revenues. Most universities experienced a decrease in student enrollment because of increased admission standards so the schools will not be collecting as much tuition and fees.	\$0	-\$700,000	0
19A - 600	Higher Education	LSU - Board of Supervisors	Eliminates SGF funding for research in Epigenetics and Chronic Diseases, Cancer Prevention and Treatment, Alzheimer's Disease Prevention and Treatment, and Economics of Disease Prevention.	-\$3,000,000	-\$3,000,000	0
19A - 615	Higher Education	Southern Univ. Board of Supervisors	SU-S - Non-recurring one-time SGF funding provided for the Business Incubator Program. These funds were used to help small companies get started.	-\$300,000	-\$300,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Nicholls - Non-recurring one-time SGF funding provided for the Department of Mass Communications and Ellender Library Archives for the purposes of receiving, cataloguing and digitalizing hurricane and related storm records.	-\$50,000	-\$50,000	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Nicholls - This adjustment properly aligns SGR budget authority to more accurately reflect projected revenues. Most universities experienced a decrease in student enrollment because of increased admission standards so the schools will not be collecting as much tuition and fees.	\$0	-\$1,278,421	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	McNeese - This adjustment properly aligns Statutory Dedication revenues for the Calcasieu Parish Higher Education Improvement Fund to reflect the Revenue Estimating Conference's latest projections.	\$0	-\$23,176	0
19A - 620	Higher Education	Univ of LA Board of Supervisors	Northwestern - This adjustment properly aligns SGR budget authority to more accurately reflect projected revenues. Most universities experienced a decrease in student enrollment because of increased admission standards so the schools will not be collecting as much tuition and fees.	\$0	-\$1,500,000	0
19A - 649	Higher Education	LA Com and Tech Colleges - Board of Supervisors	LCTCS Board - Non-recurring one-time workforce development and training funds from the Statutory Dedicated Higher Education Initiatives Fund.	\$0	-\$11,472,632	0
19A - 649	Higher Education	LA Com and Tech Colleges - Board of Supervisors	LCTCS Board - Non-recurring one-time Statutory Dedicated funding from the Higher Education Initiatives Fund for the 08 Community College Pool.	\$0	-\$375,000	0
19A - 649	Higher Education	LA Com and Tech Colleges - Board of Supervisors	SOWELA - This adjustment properly aligns Statutory Dedicated revenues from the Calcasieu Parish Higher Education Improvement Fund to reflect the Revenue Estimating Conference's latest projections.	\$0	-\$7,726	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring SGF funding for the Clean Power & Research Consortium.	-\$150,000	-\$150,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring Federal funds authority for grants received from the U.S. Department of Education for hurricane relief awarded in FY 06.	\$0	-\$4,728,940	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring SGR funding authority associated with the LA Optical Network Initiative (LONI) project.	\$0	-\$500,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring excess 8g - LA Quality Education Support Fund authority.	\$0	-\$2,525,102	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring Statutory Dedicated funding from the Higher Education Initiatives Fund for the LA Postsecondary Education Secure Campus Program.	\$0	-\$2,500,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring SGF funding provided for nursing and allied health programs at LA College.	-\$1,500,000	-\$1,500,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

<u>SCHEDULE</u>	<u>DEPARTMENT</u>	<u>AGENCY</u>	<u>EXPLANATION</u>	<u>SGF</u>	<u>TOTAL</u>	<u>T. O.</u>
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring Statutory Dedicated funding from the Higher Education Initiatives Fund for the Dual Enrollment Program.	\$0	-\$250,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	BOR - Non-recurring Statutory Dedicated funding from the Overcollections Fund provided for technology to identify potential threats and other potentially hazardous situations.	\$0	-\$1,500,000	0
19A - 671	Higher Education	Board of Regents for Higher Education	Reduces excess budget authority form the 8g fund from the Academics and Research programs.	\$0	-\$1,086,235	0
19A - 671	Higher Education	Board of Regents for Higher Education	Removes one-time funding from the Higher Education Initiatives Fund for the backlog of Endowed Chairs and Professorships.	\$0	-\$8,000,000	0
Major Reductions for Higher Education				-\$5,295,000	-\$48,938,767	0
19B - 661	Special Schools & Comm.	Office of Student Financial Assistance	Eliminates excess budget authority in the Loan Operations Program for payment of the 1% Default Fee based on projections of the Federal Family Loan Program (FFELP) loan volume to be guaranteed by OSFA in FY 09.	-\$650,000	-\$650,000	0
Major Reductions for Special Schools & Comm.				-\$650,000	-\$650,000	0
19D - 678	Elem. & Secondary Educ.	State Activities	<u>School & Community Support</u> - Non-recurring SGF funding for a special legislative project for administration of LA Youth Center in Bunkie.	-\$50,000	-\$50,000	0
19D - 678	Elem. & Secondary Educ.	State Activities	<u>Student & School Performance</u> - Non-recurring SGF funding for Arts in Education, Year 1 operations. This one-time funding was provided for preparation and review materials for the Elementary, Middle and High School's Theater, Dance, Music & Visual Arts Curriculum Guide. The funds were also provided for training on literacy materials to be included in lessons.	-\$50,000	-\$50,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - Non-recurring SGF funding for the following special legislative projects: ODYSSEY Foundation for the Arts (\$300,000); Advance Baton Rouge Charter School (\$250,000); Project PASS with the St. Landry Parish School System (\$225,000); Apex Community Development Program (\$225,000); St. Mary's Residential Training School (\$100,000); Calcasieu Association for School Enrichment (\$100,000); Urban Support Agency (\$100,000); New Millenium, Inc. (\$80,000); LA Initiative for Education (L.I.F.E.) for certified teachers (\$75,000); United Way of Southwest LA Success by Six Initiative (\$60,000); Excelsior Christian School (\$50,000); Shady Grove Baptist Church (\$30,000); Focus on Youth TBishopNEAL Ministries (\$25,000); partnership funding for Richland Parish and East Carroll Parish School System (\$15,000); Central Iberville Community Complex (\$10,000); A Quiet Place in the Woods (\$10,000); and Center for Family Learning in Baker (\$10,000).	-\$1,665,000	-\$1,665,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - Non-recurring funding from the Statutory Dedicated Academic Improvement Fund for public school districts in Jefferson, Cameron, and the city of Bogalusa to assist with recovery efforts and offset projected losses in total Minimum Foundation Program (MFP) funding between FY 07 and FY 08.	\$0	-\$10,706,469	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - Non-recurring Federal funding from the federal Hurricane Educator Assistance Program (HEAP). The purpose of these funds was to recruit, retain, and compensate new and current teachers, school principals, assistant principals, principal resident directors, assistant directors, and other educators who commit to work for at least 3 years in school-based positions located in an area that was declared a major disaster after hurricanes Katrina and Rita. The funds were to provide for paying salary premiums, performance bonuses, housing subsidies, signing bonuses, relocation costs, and loan forgiveness.	\$0	-\$22,367,428	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School & Community Support</u> - Non-recurring federal Hurricane Education Recovery Act (HERA) funding. Funding from the Immediate Aid to Restart School Operations Program was provided in FY 07 to be used by school administrators to assist with expenses related to the restart of operations, re-opening of schools, and re-enrolling of students in schools affected by hurricanes Katrina and Rita.	\$0	-\$345,604,439	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Disadvantaged & Disabled Support</u> - Non-recurring TANF funding. This funding was provided to local education agencies serving homeless children and youth displaced by hurricanes Katrina and Rita.	\$0	-\$950,000	0

Major Reductions in the FY 09 Enacted Budget Compared to the FY 08 Budget

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19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Quality Educators</u> - Non-recurring Statutory Dedicated funding from the Overcollections Fund that was used to provide inducement payments to certified teachers to work in the state's local school systems which are the poorest and lowest achieving school systems.	\$0	-\$1,000,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>Classroom Technology</u> - Non-recurring funding from the Statutory Dedicated Academic Improvement Fund for the 6th grade laptop initiative.	\$0	-\$5,000,000	0
19D - 681	Elem. & Secondary Educ.	Subgrantee Assistance	<u>School and Community Support</u> - Funding in the amount of \$25,000 is eliminated by veto in the Department of Education for the Concord Youth & Adult Community Association for after school tutoring. Funding was provided in Schedule 20-945 in FY 08 in the amount of \$50,000. The funding for FY 09 for this program is a \$50,000 reduction. The funding reduction is not a reduction to the Department of Education.	-\$50,000	-\$50,000	0
19D - 682	Elem. & Secondary Educ.	Recovery School District	Non-recurring federal Hurricane Education Recovery Act (HERA) funding. Funding from the Immediate Aid to Restart School Operations Program was provided in FY 07 to be used by school administrators to assist with expenses related to the restart of operations, re-opening of schools, and re-enrolling of students in schools affected by hurricanes Katrina and Rita.	\$0	-\$50,493,787	0
19D - 682	Elem. & Secondary Educ.	Recovery School District	Non-recurring Statutory Dedicated funding from the Academic Improvement Fund that was provided to replace a shortfall in local revenue from Orleans Parish.	\$0	-\$8,500,000	0
Major Reductions for Elem. & Secondary Educ.				-\$1,815,000	-\$446,437,123	0
20 - 901	Other Requirements	State Sales Tax Dedication	Reduces Statutory Dedications funding in the New Orleans Metropolitan Convention & Visitor's Bureau Fund to reflect projected receipts. FY 09 recommended funding is \$7,000,000.	\$0	-\$1,250,000	0
20 - XX X	Other Requirements	Miscellaneous	Non-recurring funding (\$965,429 SGF, \$55,767 SGR and \$89,717 Statutory Dedications) for the Tobacco Settlement Enforcement Fund (\$400,000); the LA Public Defender Board for legal representation of indigent parents (\$534,005); and Legislator Auditor fees (\$176,908).	-\$965,429	-\$1,110,913	0
Major Reductions for Other Requirements				-\$965,429	-\$2,360,913	0
Major Reductions of FY2009				-\$80,301,851	-\$2,378,203,277	-1,212

Louisiana Legislative Fiscal Office

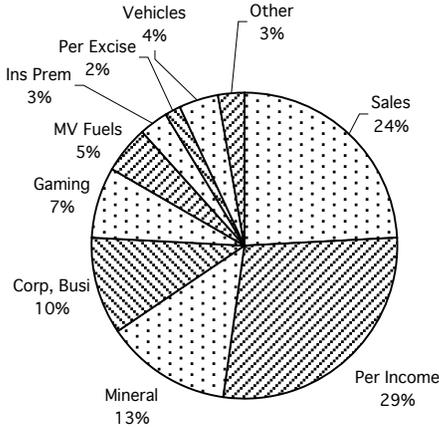
Section III

BUDGETARY OVERVIEWS

Fiscal Year 2008-2009

STATE REVENUE SUMMARY
as of 5/9/08 REC
May, 2008

Components Of The Forecasted State Revenue Bas FY 2006-07 Final Collections	\$63.41	Oil Price Fcst:	\$92.35	\$84.23	\$72.17	\$68.46	\$67.63
	FY07 Actual		FY08 Fcst 5/08	FY09 Fcst 5/08	FY10 Fcst 5/08	FY11 Fcst 5/08	FY12 Fcst 5/08
	2,837.7	Sales	2,835.3	2,891.2	2,794.2	2,889.2	2,981.2
	3,268.2	Per Income	3,155.5	2,874.5	2,917.6	3,047.4	3,187.2
	1,564.4	Mineral	1,790.0	1,810.6	1,652.9	1,559.9	1,536.8
	1,188.1	Corp, Busi	1,171.8	1,102.8	975.7	892.0	939.1
	872.5	Gaming	876.2	870.7	861.0	857.0	853.0
	606.9	MV Fuels	585.0	595.0	604.0	615.0	624.0
	494.5	Vehicles	471.5	475.8	489.6	502.4	513.9
	333.3	Ins Prem	387.8	405.6	420.1	436.5	452.5
	205.3	Per Excise	205.8	202.3	201.9	201.4	201.0
	317.0	Other	347.4	328.7	312.5	296.5	280.8
	11,688.0	Total	11,826.2	11,557.1	11,229.4	11,297.2	11,569.3
	(2,007.2)	Dedications	(1,829.4)	(1,854.5)	(1,903.4)	(1,959.1)	(2,060.1)
	9,680.7	General Fund	9,996.8	9,702.5	9,325.9	9,338.1	9,509.3
	1,379.5	(millions \$)	316.1	(294.3)	(376.6)	12.2	171.1



Pre-Storms Path Looked Good

FY04 experienced 5.2% / \$411 million of revenue growth (\$368.5m general fund).

FY05 experienced 10.9% / \$905 million of revenue growth, with good trends across the board: mineral revenue +\$243m, corporate taxes +\$211m, personal income tax +\$209m, sales tax +\$173m; (\$626.0m general fund)

Post-Storms Period Surged Certain Revenues

FY06 State Tax Revenue Growth	808.4	Share	Growth 8.8%	(\$909m general fund)
Sales Tax	485.6	60%	19%	spending for storm relief, recovery, relocation, and replacement
Corporate	139.5	17%	22%	strong oil prices and weak dollar benefit broad O&G sector and exporters
Personal Income	111.3	14%	5%	deferred payment losses more than offset by strong withholdings
Gaming	81.5	10%	11%	nothing else to do with all that money; citizens and worker influx
Mineral	(14.9)	2%	-1%	price spikes up but production spikes down; essentially a wash
Interest & Premiums	26.8	3%	11%	growing fund balance; premiums increase while tax credits drop
FY07 State Tax Revenue Growth	1,660.1	Share	Growth 16.6%	(\$1,379.5m general fund)
Sales Tax	92.5	6%	3%	boom over, but growth continues
Corporate	283.8	17%	37%	stronger oil prices and weaker dollar: O&G sector and exporters
Personal Income	745.1	45%	30%	deferral catch-up, lots of jobs (recovery/rebuilding), wage premiums
Gaming	35.9	2%	4%	boom over, but still ahead of pre-storm levels
Mineral	277.3	17%	23%	production restored and oil prices continue to rise {\$30+ price increase}
Interest & Premiums	143.9	9%	54%	big fund balance; big premium increases and more tax credit drops

FY08 and FY09 - FY12

Very strong FY07 finish and continuing performance has resulted in upward revisions to FY08 - FY12 SGF baseline forecasts in Dec, Feb, & May of FY08. Largest upward revision to FY08 baseline (+\$1.255b), smaller but substantial one to FY09 (+\$910m), smaller but also substantial to FY10 (+\$608m), and smaller again to FY11 (+\$456m). Largest additions to FY08 & FY09 in personal income tax, mineral revenue, and corporate receipts. Bottomline year-over-year revenue totals fall each year through FY10, before rising again, but overall baseline has been continually raised since the storms.

Since the start of FY08, oil price forecasts increased for FY08 (+\$34), FY09 (+\$29), FY10 (+\$20), and FY11 (+\$17). All volatility hits the general fund.

Existing tax reduction phase-ins and new ones passed in 2007 and 2008 ES2 sessions influence the baseline, as well.

- {Existing: mach & equip phase-out, borrowed capital phase-out, busi utils drop to 1%, film infrastruc credits, and Citizens assessment credit exposure}
- {New 2007: excess itemized deduction starts FY08, earned income credit starts FY09, one-time insurance premium credit in FY09 etc.}
- {Eliminate 1% busi utils tax, New Mkts Tax Credit renewed, accel m & e and borr cap phaseouts, nonpublic tuition deduction, veh sales tax to TTF}

Upside potential: oil prices continue to rise, recovery spending continues to flow, withholdings growth still strong; end-of-year results have finished strong for past two years.

Downside risks: slowing growth in sales and corporate taxes; national recession & energy prices (fuels taxes down) and oil price volatility (what goes up can come down)

STATE EXPENDITURE LIMIT FY 09

Article VII, §10.C and R.S. 39:33.1 establish and provide for the annual State Expenditure Limit. Appropriations from the SGF and dedicated funds shall not exceed the limit for the fiscal year. SGF and dedicated funds are defined in Article VII, §10.J, and excludes funds of federal origin, higher education self-generated revenue, transfers between state agencies, boards, or commissions, and the constitutional parish severance tax and royalty allocations. Funds handled by the state in a fiduciary capacity are also excluded. The limit is determined during the first quarter of the calendar year for the next fiscal year as the current limit multiplied by the average positive growth of LA personal income over the three prior calendar years. The limit for a fiscal year may be changed by a specific legislative instrument receiving a 2/3 favorable vote of each house. The limit for each year is established at one point and is not recalculated at later times. To date, legislative changes in the limit have applied to specific appropriations for the year changed and have not affected the calculation of the limit for subsequent years. Act 734 of the 2008 Regular Session clarified the calculation of the growth factor, which will result in slightly smaller expenditure limits in subsequent years than would otherwise have occurred.

Expenditure Limit for FY 08	\$11,599,764,443
Growth Factor (average annual growth in LA personal income 2005 – 2007)	5.99%
Expenditure Limit For FY 09	\$12,294,590,333
Appropriations Subject To The Limit	\$12,195,309,610
Appropriations Over / (Under) The Limit	(\$99,280,723)

At the beginning of FY 09, appropriations subject to the expenditure limit are under the limit by some \$99.280M. In the absence of a specific increase in the limit by the legislature, this represents the maximum amount that these appropriations can be increased during this fiscal year, including appropriations approved by the Interim Emergency Board (IEB). Pending final determination of the IEB allocation for this fiscal year (typically available in October each year), the prior year allocation of \$24.8M may be considered as reserved against the available amount of limit above.

2008 2nd Special Legislative Session – Act 7

Act 7 (HB 46) of the 2008 Second Extraordinary Session appropriated a total of \$1.02B in one-time monies. These monies are projected FY 08 ending year surplus dollars. The FY 08 expenditure limit had to be raised by a two-thirds vote of the legislature in order to appropriate these monies in FY 08.

The specific appropriations from Act 7 by bill section are as follows:

DEPT-APP #	APP. NAME	GEN. FUND	TOTAL	Item Description
SECTION 1				
18-585	LASERS	\$20,000,000	\$20,000,000	UAL
18-586	TRSL	\$40,000,000	\$40,000,000	UAL
SECTION 2				
01/107	DOA	\$75,000,000	\$75,000,000	Major repairs for higher education facilities
05/252	LED	\$57,000,000	\$57,000,000	Infrastructure for Cyber Innovation Center and Transportation Infrastructure
05/252	LED	\$10,000,000	\$10,000,000	Port of Terrebonne Bulkhead, Land Improvements, Bank Stabilization, Navigational Improvements, Dredging, Drainage, Sewerage, Slip for Dry-Dock, and other related infrastructure improvements, planning and construction.
07/270	DOTD	\$90,000,000	\$90,000,000	Rehabilitation, Restoration and Resurfacing Projects - statewide
07/270	DOTD	\$35,000,000	\$35,000,000	Bridge Repairs, Replacement and Improvements - statewide
07/270	DOTD	\$10,000,000	\$10,000,000	Off-system Parish Bridge Repair/Replacement Program
07/270	DOTD	\$17,000,000	\$17,000,000	Highway Program
07/270	DOTD	\$100,000,000	\$100,000,000	I-12 O'Neal Lane to Walker Widening Planning and Construction
07/270	DOTD	\$17,000,000	\$17,000,000	I-49 from I-220 in Shreveport to Arkansas Line
07/270	DOTD	\$2,000,000	\$2,000,000	LA 1 Improvements, Phase II Preconstruction
07/270	DOTD	\$20,000,000	\$20,000,000	US 90 Widening, Pinhook Road to Broussard
07/270	DOTD	\$25,000,000	\$25,000,000	LA 28 Widening, Vernon Parish Line to Jct. LA 121
07/270	DOTD	\$35,000,000	\$35,000,000	I-12 Widening, Airport Road to Jct. I-10/I-12/I-59
07/270	DOTD	\$15,000,000	\$15,000,000	LA 73 Widening, Jct. US 61 to Jct I-10
07/270	DOTD	\$24,000,000	\$24,000,000	Non-Federal Aid Highways Program
07/270	DOTD	\$6,000,000	\$6,000,000	El Camino Corridor Commission

07/274	DOTD	\$42,373,343	\$42,373,343	Port Construction and Development Priority Program
07/274	DOTD	\$24,626,657	\$24,626,657	Port of New Orleans Napoleon Avenue Container Terminal
11/435	DNR	\$0	\$300,000,000	Coastal Restoration and Management Projects
19/609	Pennington	\$50,000,000	\$50,000,000	New Clinical Research Building, Imaging Center and High-Tech Research Instrumentation and Equipment
TOTAL		\$715,000,000	\$1,015,000,000	

2008 Regular Legislative Session – Major Money Bills

Act 513 (HB 926) and Act 511 (HB 1287) of the 2008 Regular Legislative Session all play a role in crafting the FY 09 budget. Below is a summary of these legislative measures and the various fiscal impacts upon FY 08 and FY 09 budget. Included within Act 511 are the BJ 2008-3 Executive Order Reductions, which is summarized below. Also included within this bill summary is the appropriations and projected ending FY 09 fund balances for the Overcollections Fund and the State Emergency Response Fund (SERF) as well as a discussion on the preamble adjustments to the FY 09 budget as provided for in Sections 10.D. (1) and 10.D. (2) of Act 19 of the 2008 Regular Legislative Session (HB 1).

HB 926 (Act 513)

Act 513 of the 2008 Regular Legislative Session provides for various deposits into specific statutory dedicated funds within the State Treasury. Included within Act 513 (HB 926) is \$646,118,011 of FY 08 excess SGF receipts being deposited into 15 various funds effective upon the governor's signature. The majority of these transfers will most likely impact FY 08 SGF. The only fund transfer contained within Act 513 (HB 926) that impacts FY 09 is the transfer of \$3M from the Incentive Fund into the Overcollections Fund and the \$10M to be transferred from the SGF into the Legislative Capitol Technology Enhancement Fund each fiscal year. Below is the SGF impact of these transfers for deposit into the following special treasury funds.

FY 08 STATE GENERAL FUND IMPACT:

Medical Assistance Trust Fund	(\$21,536,512)
Self-insurance Fund	(\$9,128,500)
New Orleans Sports Franchise Fund	(\$19,487,908)
Waste Tire Management Fund	(\$700,000)
LA Capitol Tech Fund	(\$10,000,000)
Community Water Enrichment Fund	(\$10,000,000)
Mega-Project Development Fund	(\$307,100,000)
Overcollections Fund	(\$174,479,070)
Rapid Response Fund	(\$42,100,000)
Youthful Offenders Management Fund	(\$2,998,184)
Aquatic Plant Control Fund	(\$2,000,000)
Academic Improvement Fund	(\$10,965,616)
LA Economic Development Fund	(\$10,000,000)
State Emergency Response Fund (SERF)	(\$25,198,655)
Oilfield Site Restoration Fund	(\$423,566)
TOTAL SGF Impact	(\$646,118,011)

Act 513 (HB 926) also provides for the various transfers of funding among 6 different statutory dedicated funds in the amount of \$24.8M. Those specific transfers include: transfers \$6,882,672 from the FEMA Reimbursement Fund to the Overcollections Fund, transfers \$4.5M from the LA State Fire Marshal Fund to the Overcollections Fund, transfers \$3M from the Incentive Fund to the Overcollections Fund (effective July 1, 2008), transfers \$5,404,933 from the LA Economic Development Fund to the Rapid Response Fund, transfers \$5M from the LA Economic Development Fund to the Small Business Surety Bonding Fund. Below is a listing of the total fund impact of Act 513 (HB 926), which includes the fund-to-fund transfers as well as the SGF deposit transfers.

TOTAL STATUTORY DEDICATED FUND IMPACT:

Medical Assistance Trust Fund	\$21,536,512
Self-insurance Fund	\$9,128,500
New Orleans Sports Franchise	\$19,487,908
Waste Tire Management Fund	\$700,000

LA Capitol Tech Enhancement Fund	\$10,000,000
Community Water Enrichment Fund	\$10,000,000
Mega-Project Development Fund	\$307,100,000
Overcollections Fund	\$188,861,741
FEMA Reimbursement Fund	(\$6,882,671)
LA Fire Marshal Fund	(\$4,500,000)
Incentive Fund	(\$3,000,000)
Rapid Response Fund	\$47,504,933
LA Economic Development Fund	(\$404,933)
Small Business Surety Bonding Fund	\$5,000,000
Youthful Offenders Management Fund	\$2,998,184
Aquatic Plant Control Fund	\$2,000,000
Academic Improvement Fund	\$10,965,616
State Emergency Response Fund	\$25,198,655
Oilfield Site Restoration Fund	<u>\$423,566</u>
TOTAL Fund Impact	\$646,118,011

Below is a listing of the major FY 08 and FY 09 budgeted expenditures as result of these FY 08 excess SGF deposits and fund-to-fund transfers. Act 513 merely transfers funding. Act 19 (HB 1) and Act 511 (HB 1287) appropriates a portion of the fund transfers included within Act 513. The specific items appropriated in FY 08 and FY 09 as result of the transfers in Act 511 include:

- \$7.5M for the final debt service payment due for the construction of Winn, Allen and Avoyelles Correction Centers.
- \$21.5M deposited into the LA Medical Assistance Trust Fund for the Medicaid program for 53 check-writes instead of 52 for FY 09.
- \$2.5M deposited into the Self-Insurance Fund for the payment of the Department of Agriculture and Forestry's risk management invoices.
- \$1.3M deposited into the Self-Insurance Fund for the payment of the Department of Culture, Recreation and Tourism's risk management invoices for the New Orleans City Park.
- \$5.4M deposited into the Self-Insurance Fund to reimburse fund for survivor's benefit program within the Office of Risk Management.
- \$19.5M deposited into the New Orleans Sports Franchise Assistance Fund for the Saints and Hornets contractual obligations.
- \$174.5M deposited into the Overcollections Fund for various Departmental one-time acquisitions and major repairs in FY 08 and FY 09.
- \$3M deposited into the Youthful Offenders Management Fund for acquisitions.
- \$2M deposited into the Aquatic Plant Control Fund for expenses associated with aquatic weed control program.
- \$10M deposited into the Academic Improvement Fund for student scholarships in the New Orleans area.

NOTE: Act 513 (HB 926) provides for \$10M of FY 08 excess SGF receipts to be deposited into the newly created Legislative Capitol Technology Enhancement Fund upon effective date of the Act. Also, on July 1st of each fiscal year beginning July 1, 2009 \$10M will be deposited into this fund each fiscal year.

This new SGF dedication will be reflective in the next revenue estimating conference revenue forecast (REC) as an annual SGF dedication.

Also, Act 513 (HB 926) creates the Community Water Enrichment Fund in the state treasury subject to annual appropriation by legislature. This bill provides for this fund to be utilized to fund rehabilitation, improvement and construction projects for community water systems. Unexpended funds remain in the fund and will not revert to the state general fund. Approximately \$10M has been deposited into this fund.

Executive Order BJ 2008-03

On January 15, 2008, the governor signed an executive order pertaining to the limited state government-hiring freeze. The executive order instituted a hiring freeze and authorized the commissioner of administration to grant hiring exemptions on a case-by-case basis. Those departments not granted exemptions were reduced excess budget authority not needed in FY 08 within Act 511 (HB 1287) as result of the hiring freeze. The end result of the hiring freeze yielded total means of financing (MOF) savings of \$109.5M. The means of finance breakdown the \$109.5M is as follows:

- SGF - \$38,878,956
- IAT - \$20,920,630
- SGR - \$9,663,390
- Statutory Dedications - \$14,846,649
- Federal - \$25,206,038

NOTE: These reductions are reflected in Sections 6 and 7 of Act 511 (HB 1287) of the 2008 Regular Legislative Session.

Below is a listing of specific agency executive order reductions contained within Act 511.

DEPT-APP #	APP. NAME	GEN. FUND	TOTAL
01-100	Executive Office	(\$451,428)	(\$1,777,851)
01-103	Mental Health Advocacy	\$0	(\$32,270)
01-105	LA Manufactured Housing	\$0	(\$2,219)
01-107	DOA	(\$2,637,337)	(\$5,524,032)
01-110	LRA	(\$27,588)	(\$145,199)
01-111	GOHSEP	(\$521,196)	(\$2,830,098)
01-112	Military	(\$1,236,294)	(\$3,523,066)
01-113	Workforce Commission	\$0	(\$442,057)
01-114	Women's Policy	(\$34,778)	(\$62,756)
01-126	Tax Appeals	(\$851)	(\$851)
01-129	LCLE	(\$43,075)	(\$161,213)
01-133	Elderly Affairs	(\$48,598)	(\$60,647)
01-254	Racing Commission	\$0	(\$449,440)
01-255	Financial Institutions	\$0	(\$738,341)
01-259	Cosmetology	\$0	(\$128,606)
03-130	Vets	(\$210,628)	(\$265,708)
03-131	LA War Vets	(\$77,374)	(\$259,714)
03-132	NE War Vets	(\$7,649)	(\$22,158)
03-134	SW War Vets	(\$170,492)	(\$834,427)

03-135	NW War Vets	(\$79,582)	(\$1,311,536)
03-136	SE War Vets	(\$59,067)	(\$1,182,970)
04-139	Secretary of State	(\$639,387)	(\$738,548)
04-141	Attorney General	(\$563,002)	(\$2,542,078)
04-146	Lt. Governor	(\$974,041)	(\$974,041)
04-147	Treasury	(\$39,261)	(\$239,421)
04-165	Insurance	\$0	(\$1,004,822)
05-251	LED-Secretary	(\$152,163)	(\$152,163)
05-252	LED-Business Dev.	(\$530,079)	(\$530,079)
06-261	CRT-Sec	(\$415,872)	(\$415,872)
06-262	CRT	(\$166,246)	(\$309,487)
06-263	CRT	(\$589,956)	(\$589,956)
06-264	CRT	(\$1,413,100)	(\$1,413,100)
06-265	CRT	(\$293,000)	(\$449,471)
06-267	CRT	\$0	(\$343,885)
07-273	DOTD	\$0	(\$1,174,072)
07-275	DOTD	\$0	(\$324,016)
07-276	DOTD	\$0	(\$7,314,910)
08-400	CORR	(\$271,899)	(\$271,899)
08-401	CORR	(\$90,517)	(\$90,517)
08-402	CORR	(\$2,101,596)	(\$2,101,596)
08-405	CORR	(\$58,076)	(\$58,076)
08-406	CORR	(\$56,110)	(\$56,110)
08-409	CORR	(\$299,545)	(\$299,545)
08-412	CORR	(\$73,139)	(\$73,139)
08-413	CORR	(\$3,477,663)	(\$3,477,663)
08-414	CORR	(\$1,010,766)	(\$1,010,766)
08-415	CORR	(\$545,513)	(\$545,513)
08-416	CORR	(\$232,977)	(\$232,977)
08-418	DPS	\$0	(\$228,172)
08-419	DPS	(\$966,449)	(\$2,839,847)
08-420	DPS	\$0	(\$689,281)
08-421	DPS	\$0	(\$107,297)
08-422	DPS	\$0	(\$861,713)
08-423	DPS	\$0	(\$39,774)
08-424	DPS	\$0	(\$23,574)
08-425	DPS	\$0	(\$132,378)
08-403	YOUTH	(\$2,192,258)	(\$2,192,258)
09-305	DHH	(\$1,350,994)	(\$2,701,988)
09-306	DHH	(\$450,249)	(\$1,622,975)
09-320	DHH	(\$899,470)	(\$3,493,650)

09-326	DHH	(\$1,694,270)	(\$7,882,069)
09-330	DHH	\$0	(\$442,716)
09-331	DHH	(\$584,830)	(\$584,830)
09-340	DHH	(\$666,880)	(\$7,856,398)
09-351	DHH	(\$231,318)	(\$578,294)
10-357	DSS	\$0	(\$671,088)
10-355	DSS	(\$2,510,797)	(\$5,021,596)
10-370	DSS	\$0	(\$744,722)
10-374	DSS	(\$270,052)	(\$1,267,846)
11-431	DNR	(\$154,181)	(\$236,880)
11-432	DNR	(\$193,845)	(\$193,845)
11-434	DNR	\$0	(\$33,936)
11-435	DNR	\$0	(\$783,917)
12-440	REVENUE	(\$2,916,886)	(\$3,508,288)
12-441	REVENUE	(\$92,976)	(\$105,655)
13-850	DEQ	\$0	(\$373,973)
13-851	DEQ	\$0	(\$459,779)
13-852	DEQ	\$0	(\$494,050)
13-853	DEQ	\$0	(\$819,717)
13-855	DEQ	\$0	(\$375,909)
14-474	LABOR	\$0	(\$5,194,253)
14-475	LABOR	\$0	(\$463,232)
16-511	WLF	\$0	(\$91,725)
16-512	WLF	\$0	(\$245,227)
16-514	WLF	\$0	(\$729,794)
17-560	Civil Service	\$0	(\$22,136)
17-562	Ethics	(\$82,439)	(\$87,880)
17-563	Police Comm.	(\$38,565)	(\$38,565)
17-564	DAL	\$0	(\$1,161)
19-651	LSVI	(\$257,925)	(\$257,925)
19-653	LSD	(\$182,189)	(\$205,202)
19-655	LSEC	\$0	(\$83,850)
19-657	LSMSA	(\$17,079)	(\$664,144)
19-661	LOSFA	(\$33,147)	(\$386,478)
19-662	LETA	(\$125,728)	(\$125,728)
19-666	BESSE	(\$31,054)	(\$31,054)
19-673	NOCCA	(\$46,266)	(\$46,266)
19-678	DOE	(\$1,943,712)	(\$1,943,712)
19-699	SPECIAL	(\$1,345,552)	(\$1,633,332)
SECTION 6	TOTAL	(\$38,878,956)	(\$106,108,960)
21-790	ANCI	\$0	(\$1,682,311)

21-791	ANCI	\$0	(\$394,195)
21-796	ANCI	\$0	(\$180,468)
21-810	ANCI	\$0	(\$234,333)
21-811	ANCI	\$0	(\$260,494)
21-813	ANCI	\$0	(\$654,902)
SECTION 7	TOTAL	\$0	(\$3,406,703)

Total BJ 2008-03 reductions in FY 08 (Included within Sections 6 & 7 of Act 511):

SECTION 6		(\$38,878,956)	(\$106,108,960)
SECTION 7		\$0	(\$3,406,703)
Total Freeze		(\$38,878,956)	(\$109,515,663)

Also included within Act 511 (HB 1287) of the 2008 Regular Legislative Session is FY 08 supplemental appropriations for normal state operations for FY 08, which equates to approximately \$188.3M in additional SGF expenditures for FY 08. Some of the major funding items include:

- \$4.8M SGF for subsidy of health insurance premiums in certain school system adversely impacted by hurricanes. Insurance premiums funding the following school systems: Bogalusa School System, Cameron Parish School System, Orleans Parish School System, Plaquemines Parish School System and St. Bernard Parish School System.
- \$6.4M SGF, \$5M SGR and \$20.5M Statutory Dedications funding from the New Orleans Sports Franchise Fund to the LA Stadium Exposition District (LSED) for operating expenditures associated with the satisfaction of contractual obligations related to inducements (Saints & Hornets).
- \$3M SGF to the State Department for multimedia expenditures at the Old State Capitol. (Carried forward into FY 09 – CF9)
- \$5.4M SGF to the Department of Agriculture & Forestry for Boll Weevil Eradication efforts. (Carried forward into FY 09 – CF12)
- \$5M SGF for Second Harvest Food Bank.
- \$1.3M SGF within the Department of Corrections for spring flooding of Mississippi River expenditures.
- \$1M SGF and \$1.7M IAT within the Department of Corrections for continued housing of local inmates displaced by 2005 hurricanes.
- \$1.5M SGF to State Police for additional fuel and utility expenditures. (Carried forward into FY 09 – CF33)
- \$0.8M SGF to State Police for additional expenditures within the State Police Crime Lab.
- \$0.8M SGF to be divided equally among the Acadiana Crime Lab, New Orleans Crime Lab, Southwest LA Crime Lab and North LA Crime Lab.
- \$8M SGF to the Board of Regents for endowed chairs and professorships.

- \$3M SGF to the LSU Board of Supervisors for electronic medical records.
- \$21.1M SGF to the Health Care Services Division for operating expenditures.
- \$17.8M SGF to the LSU Board of Supervisors for various operating expenditures within the LSU Health Sciences Center.

Act 511 (HB 1287) Summary Total:

Act 511 includes various supplemental appropriations from capital outlay, regular supplemental appropriations and the executive order reductions (BJ 2008-3), Act 511's (HB 1287) total fiscal impact is a reduction of \$64.9M in total FY 08 funding. The total means of financing breakdown of this bill is as follows:

- SGF – \$149,383,763
- IAT – (\$39,501,289)
- SGR – (\$27,490,765)
- Statutory Dedications – (\$66,699,841)
- Federal – (\$80,639,200)

Preamble Adjustments within Act 19 - Section 10.D.(1) & Section 10.D.(2):

Contained within the preamble language of Act 19 of the 2008 Regular Session (HB 1), Sections 10.D. (1) and 10.D. (2), is authorization for the commissioner of administration to substitute SGF and Statutory Dedications not to exceed \$60.0M.

The specific preamble language that grants this authority is as follows:

D.(1) The commissioner of administration is authorized to substitute the means of financing for one time SGF expenditures in this Act with Statutory Dedications out of the 2004 Overcollection Fund in an amount not to exceed \$60M so that non-recurring expenses are more properly funded with revenues which are non-recurring.

D.(2) The commissioner of administration is authorized to substitute the means of financing for recurring expenditures in this Act which are funded with revenues that are nonrecurring in an amount not to exceed \$60M so that recurring expenses are more properly funded with revenues which are recurring.

The preamble adjustments to HB 1 Enrolled, with Section 10.D. (1) being the legislative authority, resulted in total SGF being reduced by \$42.9M and Overcollections Fund appropriation increasing by the like amount. The preamble adjustments to HB 1 Enrolled, with Section 10.D. (2) being the legislative authority, resulted in SGF being increased by \$60M and Statutory Dedications decreasing by the like amount. The specific Statutory Dedications impacted by these adjustments include: Overcollections Fund, Medicaid Assistance Trust Fund, Health Care Redesign Fund, Higher Education Initiatives Fund. Overall, the preamble adjustments to HB 1 Enrolled resulted in a net increase of SGF in the amount of \$17.1M and a net decrease in Statutory Dedications in the like amount. These specific adjustments are reflected within the Appropriations Letters sent to the Departments on July 15, 2008.

Overcollections Fund

The Overcollections Fund, R.S. 39:100.21, is a statutory dedication from which there are appropriations in Act 19 in the amount of \$188,756,237 for FY 09, with the original source of these monies being excess SGF receipts. This fund has been utilized in previous fiscal years to fund various projects as well as assist in balancing the budget. In FY 09, this fund is utilized to fund mostly one-time acquisition purchases within various departments and agencies.

Below is the current recommended appropriation from this fund as they appear in Act 19 of the

2008 Regular Legislative Session (HB 1).

01-EXEC	\$109,745,974
03-VETS	\$57,605
04-ELECTED	\$2,143,322
05-LED	\$2,340,287
06-CRT	\$2,065,795
08-CORR	\$9,548,543
08-DPS	\$13,740,887
09-DHH	\$15,933,552
10-DSS	\$3,834,304
11-DNR	\$1,553,542
12-LDR	\$81,458
13-DEQ	\$2,145,801
19-HIED	\$14,887,753
19-SPECIAL	\$812,139
<u>20-OTHER</u>	<u>\$9,865,275</u>
TOTAL	\$188,756,237

Included within Act 513 (HB 926) of the 2008 Regular Legislative Session is authorization for the State Treasurer to deposit excess FY 08 SGF receipts into the Overcollections Fund for expenditures in FY 09. The projected amount of FY 08 excess SGF to be deposited in the Overcollections Fund for FY 09 is \$174,479,070. Also, an additional deposit of \$14,382,671 from other statutory dedicated funds is included within Act 513 for a total deposit of \$188.8M into the Overcollections Fund.

Preamble adjustments and approved Joint Legislative Committee on the Budget (JLCB) carry forward BA-7s resulted in a net increase in the Overcollections Fund appropriations originally appropriated in Act 19 in FY 09. The per department breakdown of the fund adjusted for preamble adjustments and approved Carry Forward BA-7s is as follows:

01-EXEC	\$121,874,494
03-VETS	\$57,605
04-ELECTED	\$4,616,328
05-LED	\$3,815,287
06-CRT	\$4,574,675
07-DOTD	\$2,853,600
08-CORR	\$9,548,543
08-DPS	\$15,673,887
09-DHH	\$14,985,976
10-DSS	\$3,959,304
11-DNR	\$1,553,542
12-LDR	\$81,458
13-DEQ	\$2,395,801
14-LABOR	\$393,000
19-HIED	\$4,625,000
19-SPECIAL	\$812,139
19-DOE	\$200,000
19-LSU HCSD	\$1,870,000
20-OTHER	<u>\$32,505,295</u>
TOTAL	\$226,395,934

According to the State Treasury as of September 2008 the FY 08 ending fund balance within the Overcollections Fund is \$209,872,477. To the extent that all FY 09 appropriated expenditures are completely expended in FY 09, the projected FY 09 ending fund balance within the Overcollections Fund is approximately a \$16.5 million shortfall. However, \$50,020,000 of the

current FY 09 appropriation within the Overcollections Fund will not be expended in FY 09. These monies, originally associated with the \$372.5 million budgeted in FY 08 for the Road Homeowners Closing Program, were completely expended in FY 08. Thus, the \$50,020,000 budget authority re-budgeted in FY 09 is no longer needed. To the extent that \$50,020,000 of the current FY 09 appropriation within the fund is not spent in FY 09, the FY 09 projected fund balance for the Overcollections Fund is \$33,496,543. Proposed BA-7s during FY 09 could decrease the projected FY 09 ending fund balance.

NOTE: Act 424 of the 2008 Regular Legislative Session changed the name of this fund from the 2004 Overcollections Fund to the Overcollections Fund.

State Emergency Response Fund (SERF)

The State Emergency Response Fund (SERF), R.S. 39:100.31, was created during the 2006 Regular Legislative Session via HB 1208. Included within Act 19 of the 2008 Regular Legislative Session (HB 1) is \$25,643,369 appropriated from SERF for FY 09 and \$1,038,362 of FY 08 SERF appropriations carry forward into FY 09.

The FY 09 recommended SERF appropriations are (approved carry forward BA-7s included):

Division of Administration	\$20,198,655
Military	\$5,444,714
<u>Public Safety</u>	<u>\$1,038,362</u>
TOTAL	\$26,681,731

Included within Act 513 (HB 926) of the 2008 Regular Legislative Session is a FY 08 excess SGF transfer of \$25,198,655. According to the State Treasury as of September 2008, the FY 08 ending fund balance within SERF is \$95,267,200. To the extent that FY 09 appropriations are completely expended, the projected FY 09 ending fund balance will be \$68.6M. However, proposed BA-7s during FY 09 could decrease the projected FY 09 ending fund balance.

\$95,267,200	FY 08 Ending Fund Balance
<u>\$26,681,731</u>	FY 09 Act 19 (HB 1) & approved CF BA-7
\$68,585,469	FY 09 surplus (will remain within the fund)

OFFICE OF GROUP BENEFITS

The 2008 Regular Legislative Session brought forth various health insurance mandate bills for debate. Those issues included required health insurance coverage of: Human Papillomavirus (HPV), Prosthetic devices, lap band surgeries, annual mammograms, contraceptives, Autism – Applied Behavioral Analysis (ABA), and reimbursement for telemedicine services and fertility treatments. Of the health insurance mandates debated during the 2008 Regular Legislative Session, only Act 349 (HB 318), which requires health insurance coverage of prosthetic devices and prosthetic services, and Act 648 (HB 958), which requires health insurance coverage of the diagnosis and treatment of autism spectrum disorders in individuals under 17 years of age, become law. Of the two health insurance mandates that became law, only Act 648 (HB 958) will impact the State’s Office of Group Benefits (OGB) program financially and increase the financial exposure of the SGF.

Expenditure Impact of Act 648:

The expenditures of OGB will increase as result of this measure. The current plans offered by OGB provide coverage for medically necessary services including treatment of mental health, drug abuse and alcoholism, without regard to whether someone is autistic. However, proposed legislation requires coverage of “Applied Behavioral Analysis,” which is not covered.

The expenditures are anticipated to increase as follows:

<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>5-Year Total</u>
\$0	\$1,869,645 to \$2,350,036	\$2,118,307 to \$2,686,796	\$2,378,224 to \$3,071,814	\$2,645,536 to \$3,512,005	\$9,011,711 to \$11,620,652

The estimates are based on the following assumptions:

- 1.) The average costs of an “Applied Behavioral Analysis” is \$40,000 to \$60,000 per year (bill caps at \$36,000/year with a lifetime maximum of \$144,000, which is the maximum exposure utilized in the actuarial analysis);
- 2.) That the expected number of autistic children covered by OGB is approximately 102 (based upon statistics published by the U.S. Department of Special Education that states that 1 in 349, 0.29%, children are autistic in Louisiana). Out of a total OGB covered children (ages 1-16) population of 35,466, it is estimated that there are 102 autistic children and there will be approximately 41 of the 102 autistic population, or 0.116% of total projected children population covered by OGB (ages 1-16), seeking the “Applied Behavioral Analysis”;
- 3.) That 60% of preschool children with autism receive behavioral therapy with the assumption decreasing by age down to 20% at the age of 17 (ages 2-5 60%, ages 6-9 50%, ages 10-12 40%, ages 13-15 30%, and ages 16-17 20%);
- 4.) Autism incidence rate of 12% in the first year and decreasing by 1% per year through year 5; and
- 5.) Medical inflation is 3%.

NOTE: A SGF appropriation shall be required to cover the state portion, 66.7%, of the increased premium cost to add this benefit pursuant to the legislation (estimated to be \$1,247,053 to \$1,567,474 in FY 10 and increase to \$1,764,573 to \$2,342,507 in FY 13 for a 5-year total cost range of \$6,010,812 to \$7,750,974).

Although this bill provides for an effective date of January 2009, the OGB is estimating zero costs/revenues in FY 09 because health plan years run from July 1 to June 30 (state fiscal year).

If the OGB attempts to incorporate this health mandate into its contracted plans, legal issues could arise.

Revenue Impact of Act 648:

The revenues for OGB will increase as result of this measure. Using a medical loss ratio of 0.85, the revenue increase required by OGB to cover the cost of this benefit is as follows: (approx. \$0.74 to 0.93 per member per month).

<u>FY 09</u>	<u>FY 10</u>	<u>FY 11</u>	<u>FY 12</u>	<u>FY 13</u>	<u>5-Year Total</u>
\$0	\$2,199,582 to \$1,764,748	\$2,492,126 to \$3,160,936	\$2,797,911 to \$3,613,899	\$3,112,395 to \$4,131,771	\$10,602,014 to \$13,671,354

Based upon the standard medical loss ratio of 0.85, the per OGB member per month premium increase will range from \$0.74 to \$0.93, or \$8.87 to \$11.15 per year, for a 5-year total of \$42.75 to \$55.13 per member per year. There are approximately 248,000 members covered under OGB. This estimate is based upon FY 10 cost projections.

NOTE: After the passage of Act 349 and Act 648, there are approximately 27 specific health insurance mandates in statute (R.S. 22:215).

Other Health Insurance Mandates in LA:

According to the Council for Affordable Health Insurance’s Health Insurance Mandates in the States 2008 Report, the following benefits are mandated in LA: Alcoholism, Ambulatory Surgery, Ambulance Services, Bone Marrow Transplants, Breast Reconstruction, Cancer Medications, Cervical Cancer/HPV Screening, Cleft Palate, Clinical Trials, Colorectal Cancer Screening, Dental Anesthesia, Diabetic Supplies, Drug Abuse Treatment, Emergency services, Hearing Aid, Mammogram, Mastectomy, Mastectomy Stay, Maternity Stay, Mental Health General, Mental Health Parity, PKU/Formula, Prostate Cancer Screening, Rehabilitation Services, and Well-Child Care. This information does not include the results of the 2008 Regular Legislative Session-Acts 349 and 648.

CORRECTIONS SERVICES

The Department of Corrections FY 09 budget totals \$554.1M, a \$33M increase from the prior-year existing budget amount of \$521.1M. The major increases in the FY 09 budget include:

1. \$13.3M in SGF for overtime payments for correctional security officers and health service workers. Overtime expenses increased due to the pay increase provided to the employees last year and the increase in the number of hours needed to maintain the minimum level of coverage.
2. \$5.8M in additional Statutory Dedications from the Overcollections Fund for acquisitions and major repairs.
3. \$1.4M in SGR for the Canteen Program due to an increase in sales (\$1M at LA State Penitentiary, \$300,000 at David Wade Correctional Center, and \$100,000 at J. Levy Dabadie Correctional Center).
4. \$899,244 in SGF for increases in health care costs (\$500,000 in the Administration Program for inpatient hospital stays, \$150,000 to both Winn and Allen Correctional Centers for extraordinary medical costs and \$99,244 to Avoyelles Correctional Center for hospital trips).
5. \$488,443 in SGF for the annualization of costs associated with the new Skilled Nursing Unit at Elayn Hunt Correctional Center. The new unit will provide an additional 273 beds.
6. \$216,716 in SGF for the increased cost of utilities at Steve Hoyle Rehabilitation Center and Dixon Correctional Institute.

For FY 08 the Local Housing of State Adult Offenders appropriation increased by approximately \$800,000 (from \$152.9M to \$153.7M). The Department had one significant adjustment, which was a supplemental appropriation during the 2008 Legislative Session in the amount of \$800,000. Act 511 (HB 1278) of the 2008 Regular Session allocated sufficient funding to allow for projected expenditures in FY 08 (shortfall for 94 additional offenders in Local Housing of State Adult Offenders).

FY 09 funding for Local Housing of State Adult Offenders totals \$159.5M. For FY 09, \$6.7M was provided to increase the per diem rate paid to local authorities by \$1 per inmate for the housing of state inmates in local correctional facilities and adult work release programs. The per diem for the housing of state inmates will increase from \$23.39 to \$24.39. Funding was based on the average number of adults housed per day based on the Existing Performance Standard for FY 08 of Local Housing - \$5,322,795 (14,583 inmates) and Work Release - \$1,328,600 (3,640 inmates).

According to the latest report from the Department on July 2, 2008, the number of inmates in state facilities is 20,550 and local jail facilities are 17,347 for a total of 37,897 inmates.

YOUTH SERVICES

Youth Services' FY 09 budget totals \$182.6M, a \$2.3M decrease from the prior-year existing budget amount of \$184.9M. The total decrease in funding is due to reductions in Interagency Transfers (DSS, Office of Community Services) and Statutory Dedications (Youthful Offender Management Fund). Other major changes in the FY 09 budget include:

1. \$972,134 in SGF to annualize the pay increase for state employees, Probation and Parole Officers, and Youth Care Workers that were given in FY 08.
2. \$350,000 in SGF for training services to be provided from the Missouri Youth Services Institute.

FY 09 funding for Local Housing of State Juvenile Offenders totals \$6.1M. The average daily census for FY 08 is estimated to be 160 youth. Approximately 10% of the youth in OYD are housed in local facilities. Local Housing of State Juvenile Offenders was appropriated an additional \$1.6M for FY 09 to properly align the budget with statutes that require the Local Housing of Juvenile Offenders to be charged a higher rate due to inflation. The rate for pending non-secure youth is \$24.39 and the rate for pending secure care \$101.98 (adjusted yearly pursuant to consumer price index)

**DEPARTMENT OF HEALTH & HOSPITALS
MEDICAID**

In FY 09, the Department of Health and Hospitals is appropriated \$6.76B for the Medicaid Program (Medical Vendor Payments). This represents an overall increase of \$449M, or 7.1%, from the 12/1/07 budget freeze date. The latest Medicaid monthly Financial Report (FY 08 Year End) reflects prior year actual expenditures of \$5.9 B in FY 08. Based on these actuals, the Medical Vendor Payments appropriation reflects an overall increase of \$844.1M, or 14.2% from FY 08.

The total increase is mainly the result of various healthcare reform initiatives anticipated to be implemented in FY 09 and annualizing prior year funding. Specific and significant initiatives include the following:

- implementation of a regional medical home concept through a provider services network for the low income uninsured;
- funding for Phase V LaChip Expansion (LA Affordable Plan), which targets uninsured children up to age 19 whose family incomes fall within 200% to 250% of the federal poverty level;
- additional Early and Periodic Screening, Diagnostics and Treatment (EPSDT) dental services rate increase;
- funding for an extra Medicaid check write, or payment to providers in FY 09;
- enhanced funding for nursing homes to rebase nursing home rates;
- funding for additional Federally Qualified Health Centers and Rural Health Clinics;
- annualization of health care initiatives funded in the prior year (FY 08); and
- funding for an additional 2,025 New Opportunities Waiver (NOW) slots and 375 newly created Flex Waiver slots.

Major Changes from FY 08 (FY 07/08 Year End Medicaid Monthly Financial Report)

As provided by the General Appropriation Act of 2008 (Act 19), the Medicaid budget for FY 09 was adopted by the Legislature at a program size of \$6.76B.

•For FY 09, the state match rate will be 28.40% (excludes UCC match rate, which is 28.69%) on Medicaid programmatic expenditures as compared to a state match of 28.88% in FY 08.

•The FY 09 appropriation (Act 19) for Medical Vendor Payments (Payments to Privates, Payments to Publics, Medicare Buy-ins, and Uncompensated Care Costs) increased expenditures by \$796.7 M over FY 08 actual expenditures. The program increases are allocated as follows:

- \$654.9M increase for payments to private providers.
- \$25.3M increase for payments to public providers.

- \$22M increase for Medicare buy-ins and supplements.
- \$94.5M increase for payments for uncompensated care costs.

Major Line Item Increases for Private Providers (FY 08 actuals compared to DHH initial FY 09 projections by sub-programs)

- \$5.1M increase in payments for Durable Medical Equipment
- \$32.7M increase in payments for Early and Periodic Screening (EPSDT)
- \$6.8M increase in payments for Federally Qualified Health Centers
- \$6.8M increase in payments for Hospice Services
- \$51.6M increase in payments for Hospital Inpatient Services
- \$8.2M increase in payments for Lab and X-Ray Services
- \$35.4M increase in payments for Long Term Personal Care Services (LT-PCS)
- \$12.1M increase in payments for Mental Health Rehabilitation Services
- \$59.3M increase in payments for Nursing Home Services
- \$80.2M increase in payments for Pharmaceutical Products
- \$73.4M increase in payments for Physician Services
- \$6.3M increase in payments for Rural Health Clinics
- \$131.6M increase in payments for New Opportunities Waiver Services
- \$19.2M increase in payments for Other Private Provider Services

Major Programmatic Specific Funding

• Funding for an additional 2,025 New Opportunity Waiver (NOW) slots for FY 09. This waiver offers home and community based care by providing alternative services to institutional care for persons who are mentally retarded or have other developmental disabilities. Persons must meet certain qualifications and slots are limited. This adjustment represents funding for 12 months. As a result of Act 481 of the 2007 Regular Legislative Session, the New Opportunities Waiver Fund was created. According to that legislation, the fund receives 12% of all recurring SGF revenue recognized by the Revenue Estimating Conference in excess of the official forecast at the beginning of the current fiscal year, up to a maximum dedication of \$50M in any fiscal year. The revenues in the fund are required to be appropriated in the ensuing fiscal year for additional waiver slots in the NOW Program. HB 1 Original included funding (\$164.5M) for 2,025 new slots. Senate Finance amendments reduced this enhancement by \$102.1M, resulting in \$62,405,123 in new funding for FY 09 for additional NOW slots.

The total funded slots for FY 08 were 6,542. As per the FY 08 Year End Actual Medicaid Monthly Forecast Report, total NOW expenditures for FY 08 are 320.3M. The Statutory

Dedicated funding is from the New Opportunities Waiver Fund (\$17,723,055), and the Federal funds are Title 19 federal participation funding (\$44,682,068).

- Additional \$10.2M in funding (\$2,030,163 SGF and \$8,181,925 Federal) for payments to health plans associated with the coverage of uninsured children from households with incomes between 200% and 250% of the FPL (Phase V LaChip expansion). LaChip is LA's "State Health Insurance Program" for eligible children up to age 19 whose family incomes are too high to qualify for benefits under regular Medicaid. Under legislative authority, Act 407 of the 2007 Regular Legislative Session, the DHH requested and was granted approval from the CMS to expand LaChip eligibility from 200% - 250% of the federal poverty level (FPL). Phase V will not be a Medicaid expansion (similar to the other phases), but a separate state program. The DHH anticipates contracting with the Office of Group Benefits (OGB) as the 3rd party administrator to process and make claims payments, and provide member support and provider relations.

As of July 31, 2008 there were 123,602 children enrolled in LaChip. The DHH estimates an additional 6,000 children may be enrolled as a result of the Phase V LaChip expansion (funding adjustment represents 12 months of full funding). The DHH estimates total LaChip payments for FY 09 to be approximately \$200.4M (\$160.5M Federal, \$39.4M SGF, and \$400,000 SGR from family premiums). The source of Federal funds is Title 21 federal participation funding (19.88% state, 80.12% federal match rate).

- Additional \$9.5M in funding (\$2,720,331 SGF and \$6,858,299 Federal) for 375 Flex waivers for 6 months. Historically, the Legislature has allocated separate funding for the various waiver programs. This new waiver will allow the DHH to serve individuals that qualify for any one of the following 3 developmental disability waiver options: 1) New Opportunities Waiver (NOW); 2) Children's Choice; and 3) Residential Options Waiver (ROW) based on the department's needs assessment process. The DHH has indicated that this funding will allow the Office for Citizens with Developmental Disabilities (OCDD) to complete a needs assessment for individuals coming off the Request for Services Registry (waiting list), tailor the needs of these recipients by carving out individual treatment plans, and placing them in one of the existing available waivers (NOW, Children's Choice, ROW, and EDA) with individual caps in a given year. According to the DOA, a portion of this funding is anticipated to be used for Elderly and Disabled Adult (EDA) waiver services (provides various services for the elderly in their homes as an alternative to nursing home placement). The source of Federal funds is Title 19 federal participation funding.

Note: The allocation between Flex waivers and EDA waivers has yet to be determined. Furthermore, the Flex waiver will require approval from the CMS.

- Additional \$69.2M in enhanced funding (\$884,413 SGF, \$18,763,829 Statutory Dedications and \$49,535,709 Federal) for nursing homes, including the following:

- 1) \$60,770,388 estimated for nursing home rebasing on 7/1/08. Act 694 of the 2001 Regular Legislative Session gives DHH the authority to set the rules for re-basing nursing home rates 2 years beginning in 2004 (DHH implemented through state plan);

- 2) \$23,905 estimated for cost associated with nursing home Bed Buy-Back Program. Act 659 of the 2004 Regular Legislative Session requires the DHH to determine ways to reduce vacant nursing home beds (including Bed Buy-Back Program) and provide for Nursing Home re-basing, sprinkler system updates, and private room conversions;

- 3) \$3,104,235 estimated for private nursing home bed conversions;

4) \$2,171,292 estimated for payments to nursing homes for installation of sprinkler and fire suppressant devices; and

5) \$3,114,131 estimated for rate increases to Hospice providers.

The source of Federal funds is Title 19 federal participation funding. The Statutory Dedications source of funding is the principal from the Medicaid Trust Fund for the Elderly. R.S. 46:2691(B)(2) allows the principal of the fund to be used as a revenue source for re-basing nursing home rates.

- \$70.4M in funding (\$21,536,512 Statutory Dedications and \$54,296,275 Federal) to provide for the extra check-write (payments to providers) in FY 09 (53 instead of 52). For FY 09, this one extra payment date will fall on 6/30/09. The Statutory Dedications source of funding is one-time revenues deposited into the Medical Assistance Trust Fund (MATF).

- \$4.6M in funding (\$1,341,531 SGF and \$3,347,562 Federal) to provide for a Provider Service Network (PSN) health care delivery model. The source of Federal funds is Title 19 federal participation funding. The PSN is anticipated to support the Medical Home model of care (Act 243 [SB 1] of the 2007 Regular Legislative Session). A PSN is a healthcare network operated by a health care provider or group of affiliated providers for the purpose of administering and managing healthcare delivery for members under a health plan.

The DHH has indicated that various initiatives associated with this proposed pilot program have yet to be determined or completed. These include the following: 1) the financial model (fee for service or pre paid per member); 2) pilot location; 3) identification of provider groups or an individual provider; 4) anticipated number of individuals served under the plan(s); and 5) development of state guidelines for PSNs.

Note: It is anticipated that this pilot will require the CMS approval through a demonstration waiver or state plan amendment.

Medicaid Outlook for FY 10

For FY 09, a portion of the recurring Medicaid budget is financed through major non-recurring money sources as follows:

- 1) Approximately \$20M in Medical Assistance Trust Fund (MATF) FY 08 excess funds is being used as state match to collect federal matching funds in FY 09.
- 2) \$17,258,790M from the corpus (principal) of the Medicaid Trust Fund for the Elderly is appropriated to FY 09, and will be used to collect federal matching funds to be used for re-basing nursing home rates.
- 3) \$17,723,055M from the New Opportunities Waiver (NOW) Fund is appropriated in Medical Vendor Payments in FY 09, and will be used as match in the private providers program to fund 2,025 new NOW slots. Approximately \$29M, plus an interest accrued, remains in the fund for FY 10. Continued state surpluses will be required to restore the NOW Fund in order to sustain these slots in future fiscal years.

In addition, approximately \$60M in Certified Public Expenditure (C.P.E.) funding is appropriated in FY 09. These funds represent 100% federal matching funds from the Centers for Medicare and Medicaid Services (CMS), and are used as match in both the Private Providers Program and the Uncompensated Care Costs Program in FY 09. On May 29, 2007, CMS issued

a regulatory action that could limit future certifications for public providers. Congress has temporarily imposed a moratorium (through April 1, 09) on implementing this rule, however, should the rule be republished by CMS and implemented, future funds used as match by the Medicaid Program could be limited.

Medicaid Administration

In FY 09, Medical Vendor Administration Program is appropriated \$224.2M. This represents an overall increase of \$1.7M, or less than 1%, from the 12/1/07 budget freeze date. In addition, the FY 09 Medical Vendor Administration budget reflects a reduction in 61 vacant positions from the prior year.

Significant Increases in Medicaid Administration

- Provides funding for the development and implementation of a uniform provider reporting system for hospitals and other providers. DHH has indicated that this new system will serve as a data repository for the purposes of: 1) provider benchmarking and accountability; 2) trend reporting on provider operations; and 3) making data available to health care consumers. The source of IAT is DHH over collections transferred from MVP to MVA.
- Provides funding for the replacement of the 25-year-old Medicaid Eligibility Determination (MEDS) system. The system determines eligibility to participate in the Medicaid Program for those that meet the established eligibility criteria (both state and federal) of the program. This project has been recommended by the Office of Information Technology in the Division of Administration. This represents 1 year of funding, and the total projected replacement cost is estimated to be approximately \$23M.

DEPARTMENT OF SOCIAL SERVICES

Temporary Assistance

The recommended TANF budget for FY 09 is \$67,224,442, which is a net decrease of \$7,440,028 from FY 08. The only initiative that received additional funding was the Jobs for America's Graduate Program. Child Abuse/Neglect, Abortion, Truancy, CASA, and Drug Courts initiatives were funded at the same level as FY 08 and Substance Abuse was changed from a state TANF initiative to a federal TANF initiative and funded at the same level. Reductions were made to the remaining 15 initiatives to reflect the constant decline in TANF surplus funds that are available to support these initiatives. A breakdown of TANF initiatives for FY 09 is included in Table V.

Major Increases

- \$6.8M SGF to replace the decrease in Title IV-E per the Federal Reduction Act of 2005.
- \$4.5M SGF to replace Federal Support Enforcement Incentive funding which can no longer be used as a state match to draw down federal funds per the Federal Deficit Reduction Act of 2005.
- \$1M SGF to replace the decrease in Social Services Block Grant and Title IV-B Part II funding.
- \$800,000 SGF for Multi-Systemic Therapy provided to adolescents (ages 12-17) to prevent out-of-home placements.

ELEMENTARY AND SECONDARY EDUCATION

Act 19 of the 2008 Regular Session contains funding for several significant elementary and secondary education initiatives. Below is a summary of the major education initiatives and their funding level.

Minimum Foundation Program (MFP):

Appropriation/Pay Raise:

Act 19 appropriates \$3.27B to the Minimum Foundation Program (MFP) agency for the MFP formula, and for a \$1,019 (across the board) pay raise for teachers. Approximately \$90M is provided for the normal growth of the formula, and \$55M is provided for certificated personnel pay raises. HCR 207 continues the provision that not less than 50% of each school district's increased state funding from implementation of Level 1 and Level 2 of the formula be used to supplement full-time staff salaries and retirement benefits; however, there is an exemption from the 50% pay raise when a district's average salary is above the latest published Southern Regional Education Board (SREB) average. The latest published SREB average is \$45,662. When adding the \$55M to the 50% pay raise amount, all certificated personnel will receive a \$1,019 pay raise.

Student Membership:

Due to the impact of the storms, a minimum membership number, instead of the February 2008 count, will be provided for Orleans Parish/Recovery School District, Plaquemines Parish, and St. Bernard Parish at the beginning of the year. The October count will determine the actual funding, and the distribution amounts will be changed based on the updated student counts. The following student membership numbers will be counted for these districts: Orleans – 32,704 (to be divided proportionately with the Recovery School District); Plaquemines – 3,520; St. Bernard – 4,038.

There will be 2 mid-year student adjustments. If a district's October 1, 2008 student membership exceeds the February 1, 2008 membership by 50 students or 1%, a mid-year adjustment of additional funding will be provided equal to the district's MFP per pupil amount times the number of increased students. If a district's February 1, 2009 student membership exceeds the October 1, 2008 membership by 50 students or 1%, a mid-year adjustment of additional funding will be provided equal to one-half of the district's MFP per pupil amount times the number of increased students.

Student Membership Weights and Mandated Costs:

The at-risk weight factor for student membership was increased from 21% to 22%, and the career and technical education factor was increased from 5% to 6%. The amount of local revenue eligible for rewards in Level 2 increased from 33% to 34% of total Level 1 costs. The mandated cost adjustment amount increased from \$91.50 to \$100 per student. This cost adjustment is to be used for increased costs for health insurance, retirement system contributions, and fuel.

Foreign Associate Teachers:

The formula includes the addition of stipends for Foreign Associate Teachers to defray relocation costs in year 1 and to provide for retention incentives in year 2 and 3. In year 1 \$6,000 is provided per teacher, and \$4,000 is provided in year 2 and 3.

Continued changes from last year's formula:

The local wealth factor calculation is replaced with the deduction method in the determination of the local share contribution. When calculating the local share

contribution, a cap on the growth of the net assessed property value of 10% has been instituted, as well as a cap of 15% on increases in the computed sales tax base. The Level 2 reward calculation is also replaced with the Level 2 reward factor.

The FY 07 Hold Harmless amount of \$76M is frozen. The \$76M amount will be reduced by prior year pay raise amounts and insurance supplements totaling \$38M. The pay raise amounts will be continued in Level 3. The remaining amount of \$38M will be reduced by 10% over 10 years, or \$3.8M per year. The annual reduction will be redistributed to all non-hold harmless districts as a per pupil amount, which in the proposed formula, amounts to approximately \$16.32 per student.

A \$1,000 one-time salary supplement was provided for non-certificated support personnel outside of the MFP.

Other significant initiatives and funding levels:

High School Redesign

- \$500,000 for curriculum redesign
- \$1M for Algebra 1 student tutoring
- \$1M for End-of-Course (EOC) Testing
- \$336,000 for LA Educational Leadership Network
- \$428,160 for Algebra 1 EOC Test
- \$571,840 for Algebra 1 EOC Teacher Support
- \$1M for Virtual Schools
- \$500,000 for Advanced Placement
- \$664,000 for High School/Middle School support at the Regional Service Centers
- \$7M for High School Redesign activities in the school (i.e. high school credit recovery)

School and District Accountability System

- \$3.2M for Distinguished Educators (DEs). DEs work with schools that are in corrective actions to help in providing strategies for school improvement.
- \$4.7M for K-12 Rewards for schools exceeding performance targets.

High Stakes Remediation and Testing

- \$16.4M for High Stakes Summer School Remediation & LEAP 21 Tutoring
- \$2M for GEE 21 Summer School
- \$14.7M for Testing

Pre-K Funding

- \$83.4M SGF for the LA 4 Program. The LA 4 Program provides a 6-hour instruction period with a 4-hour enrichment period and 2 hours before and after class. Approximately \$80.4M is distributed to the districts, and \$3M is budgeted in the Department of Education for administration.

Charter Schools

\$31.6M SGF is provided for Type 2 Charter Schools. The funding provides for 10 Type 2 Charter Schools (8 existing schools and two new schools). Any Type 2 Charter School approved by the Board of Elementary & Secondary Education on or after July 1, 2008, shall be appropriated funds for the local share of the MFP from the transfer of an MFP monthly amount from the district in which the student resides.

National Board Certification

- \$6.1M SGF is provided for teachers that obtain National Board for Professional Teaching Standards certification. The State will reimburse the local school board \$5,000 for each teacher holding such certification.
- \$1.3M SGF is provided for school counselors that obtain National Board of Certified Counselors certification. The State will reimburse the local school board \$5,000 for each counselor holding such certification.
- \$1M SGF is provided for school psychologists that obtain National School Psychology Board certification. The State will reimburse the local school board \$5,000 for each psychologist holding such certification.
- \$1.5M SGF is provided for school social workers that obtain National School Social Workers Board certification. The State will reimburse the local school board \$5,000 for each social worker holding such certification.
- \$2.4M SGF is provided for speech language pathologists and audiologists that hold Certificate of Clinical Competence issued by the American Speech-Language Hearing Association. The State will reimburse the local school board \$5,000 for each speech pathologist/audiologist holding such certification.

Other Programs:

- \$12.6M for the Literacy & Numeracy Program (\$2M is admin)
- \$10M for the Flexible Pay Initiative for teachers
- \$10M for the Student Scholarship Program in New Orleans
- \$8.5M for the extended instruction day in the Recovery School District
- \$4.5M for the Career and Technical Education Initiative
- \$2.9M for the Alternative Schools/Options Program (\$250,000 is admin)
- \$800,000 for the LA Leadership Initiative (\$195,000 is admin)

Supplemental Appropriations Bill

- \$4,777,768 SGF for subsidy of health insurance premiums in the following school systems adversely impacted by hurricanes in the Gulf of Mexico in calendar year 2005: city of Bogalusa School System; Cameron Parish School System; Orleans Parish School System; Plaquemines Parish School System; and St. Bernard Parish School System.

HIGHER EDUCATION and TOPS

Most of the major fiscal issues in Higher Education were driven by appropriations to keep each system at full formula funding, additional monies for workforce development, additional funding for the second year of the new need-based scholarship program, and other specific appropriations directed to the institutions. A complete listing of all the enhancements to higher education is available in the LFO "Enhancement" report. Higher education is still funded at the Southern Regional Education Board (SREB) average for the second consecutive year. The Board of Regents used three separate appropriations in calculations to determine LA's SREB ranking – the faculty and state worker pay raises and monies specifically allocated to each institution for the purpose of increasing the state's standing.

Dual enrollment initiative (\$4M). The legislature continues full funding at \$4M for the "dual enrollment" program bringing the total appropriation to over \$4M. This program will allow high school students to take college credit classes at one 4-year and one 2-year institution to be named later.

Funding for GO Grant need-based scholarship program (\$9.2M). This is a new scholarship program, funded with SGF and administered by the Office of Student Financial Assistance (OSFA) which already manages the Tuition Opportunity Program for Students (TOPS) – called the Louisiana "GO Grant." This program is need-based financial assistance program for low and moderate-income students designed to improve college access for targeted populations and to reduce student loan debt. The program is presently funded at \$24.2M.

To be eligible for a "Go Grant" a person must be a LA resident, admitted and enrolled as a certificate or degree-seeking undergraduate at a LA public or private college or university and must either be a first-time freshman or aged 25 or older and not enrolled in a college or university in credit bearing courses for the last 3 years. The program is modeled after the Federal Pell Grant program and would grant full-time students \$2,000 per year and part-time students \$1,000 per year respectively.

Eligibility determination is based on information reported in the Free Application for Federal Student Aid (FASFA) and takes into account Pell grant award amounts. The "Go Grant" may be awarded to students who also qualify for a Tuition Opportunity Program for Students (TOPS) award. The Board of Regents estimates, based on FY 04 pre-hurricane data, that initially 10,000 will be eligible. The cost of the program will continue to grow, less normal attrition from students quitting or failing to make required academic progress, for the next 4 years before reaching an estimated annual cost of \$41M.

This cost projection assumes that poverty rates, high school graduation and college success rates as well as award amounts remain constant.

Full formula funding (\$34.7M) The legislature appropriated these funds to help bring each institution to the Southern Regional Education Board (SREB) average funding.

Workforce development (\$10M). The legislature appropriated \$10M to the LCTCS for workforce development.

LSU Health Sciences Centers - Shreveport. The legislature appropriated an additional net \$14.2M for increased and ongoing operating expenses.

Enrollment Changes. Overall, the state added approximately 3,800 higher education undergraduate students when FY 08 is compared with FY 07. While the storm affected campuses are in the process of increasing the number of students attending, enrollments at some non-affected institutions decreased significantly because of ongoing enrollment shifts of students returning to storm affected campuses, higher admission standards which were implemented and strong demand for workers in the economy.

The following chart illustrates the enrollment changes by institution:

Undergraduate Enrollment Statewide Higher Education						
	FY 05	FY 06	FY 07	FY 08	FYs 07 & 08	
					Diff.	% Change
LSU A&M	24,319	23,808	22,426	21,478	(948)	-4.2%
ULL	13,904	13,936	13,733	13,741	8	.01%
<i>UNO**</i>	<i>12,321</i>	<i>8,810</i>	<i>8,257</i>	<i>7,982</i>	<i>(275)</i>	<i>-3.3%</i>
LA Tech	8,262	7,957	7,639	7,157	(482)	-6.3%
ULM	6,967	6,988	6,429	6,398	(31)	-0.5%
SU A&M	7,455	7,424	6,953	6,425	(528)	-7.6%
GSU	4,284	4,358	4,405	4,547	142	3.2%
<i>McNeese**</i>	<i>7,178</i>	<i>6,916</i>	<i>6,718</i>	<i>6,651</i>	<i>(67)</i>	<i>-1.0%</i>
NSU	8,528	7,877	7,600	7,485	(115)	-1.5%
SLU	12,651	12,533	12,032	11,983	(49)	-0.4%
<i>Nicholls**</i>	<i>6,277</i>	<i>5,885</i>	<i>5,586</i>	<i>5,709</i>	123	2.2%
LSUS	3,600	3,554	3,346	3,440	94	2.8%
<i>SUNO**</i>	<i>2,862</i>	<i>1,487</i>	<i>1,870</i>	<i>2,289</i>	<i>419</i>	<i>22.4%</i>
LSUA	2,893	2,835	2,572	2,607	35	1.4%
LSUE	2,943	2,623	2,586	2,707	121	4.7%
SUSLA	2,354	2,314	2,376	2,300	(76)	-3.2%
BRCC	5,580	6,041	6,171	6,520	349	5.7%
BPCC	4,412	4,689	4,609	4,778	169	3.7%
<i>Delgado**</i>	<i>16,785</i>	<i>10,001</i>	<i>11,773</i>	<i>13,176</i>	<i>1,403</i>	<i>11.9%</i>
<i>Nunez**</i>	<i>2,173</i>	<i>696</i>	<i>1,200</i>	<i>1,347</i>	<i>147</i>	<i>12.3%</i>
RPCC	867	837	1,030	1,105	75	7.3%
SLCC	1,604	1,863	2,395	3,151	756	31.6%
LDCC	980	1,035	1,118	1,333	215	19.2%
Fletcher	977	1,193	1,220	1,306	86	7.0%
SOWELA***	1,464	1,558	1,421	1,617	196	13.8%
<i>LTC**</i>	<i>15,317</i>	<i>14,334</i>	<i>15,435</i>	<i>17,465</i>	<i>2,030</i>	<i>13.2%</i>
	176,957	161,552	160,900	164,697	3,797	2.4%

*Figures provided by the Board of Regents

**Storm affected campuses

***SOWELA, while adversely affected by Hurricane Rita, actually experienced an enrollment increase.

The storm-affected schools are bolded and italicized. These institutions collectively lost over 15,000 students after Hurricane Katrina but are experiencing an enrollment rebound.

LSU HSC HEALTH CARE SERVICES DIVISION

Means of Finance	FY 07 Actual	FY 08 Existing Budget as of 7/31/08	FY 09 Recommended Budget
State General Fund	\$75,798,614	\$94,765,933	\$89,938,199
Medicaid	\$137,369,414	\$206,986,810	\$224,333,374
Uncompensated Care	\$379,468,711	\$391,473,113	\$476,290,826
Medicare	\$56,835,883	\$79,426,352	\$81,142,021
Commercial Insurance	\$34,856,229	\$47,717,601	\$55,950,061
Other Revenues	<u>\$41,496,167</u>	<u>\$31,909,006</u>	<u>\$42,787,661</u>
Total Means of Finance	\$725,825,018	\$852,278,815	\$970,442,142

In FY 08, the LSU HCSD was initially appropriated \$861.9M for the 7 hospital system (these funds include appropriated revenues and off-budget non appropriated revenues). The HCSD existing budget for FY 08 was \$852M, which represents estimated final revenue collections as of July 31, 2008. For FY 09, the 7 public hospital system's appropriated and projected revenues increased by \$118M, or 13.8% over FY 08 existing budget. The largest portion of the \$118M increase in funding for FY 09 is in the budget for the Medical Center of LA at New Orleans (\$70.8M) and is a result of the anticipated restoration of services in the New Orleans area.

Major Increases/Decreases in FY 09 HCSD Budget

UNCOMPENSATED CARE - \$84.8M increase over FY 08 estimated collections:

The HCSD hospitals are reimbursed for uncompensated care costs associated with providing free care to patients. Projected UCC collections in the FY 09 budget are \$476.2M. This represents a \$84.8M, or 21.6% increase from the FY 08 existing budget.

MEDICAID CLAIMS - \$17.3M increase over FY 08 estimated collections:

Medicaid claim dollars are appropriated in the Department of Health & Hospitals, Medical Vendor Payments Program, and transferred to the HCSD hospitals for services provided to Medicaid eligible patients (Title XIX). Projected Medicaid claim collections in the FY 09 budget are \$224.3M. This represents a \$17.3M, or 8.4% increase from the FY 08 existing budget.

STATE GENERAL FUND (SGF)

State General funds are used to cover certain unavoidable hospital costs that do not qualify for Uncompensated Care costs reimbursement, or non-allowable costs. Specific costs that are considered non-allowable include prisoner care, outpatient drug and pharmacy costs, and professional service fees for providing direct care to free care patients (physicians and CRNA's). Appropriated SGF in the FY 09 Budget is \$89.9M. This represents a \$4.8M, or 5.1% increase from the FY 08 existing budget.

OTHER REVENUES

These revenues are not directly appropriated in Act 18 for HCSD (19-610) and are considered off-budget. Other revenues include Medicare, commercial insurance, Ryan White HIV funds, WIC funds, and non-patient related revenues (such as cafeteria, medical records, and parking). The estimated level of these revenues is based on the level of SGF, Medicaid, and UCC in the projected collections for HCSD facilities. These funds are estimated to be \$179.8M for FY 09, which is a \$20.8M, or a 13.1%, increase from FY 08. In addition to the above noted funding, for FY 09 the HCSD is appropriated \$1.87M in Statutory Dedications funding from the Overcollections Fund. These Statutory Dedication funds are used for a statewide colorectal cancer screening demonstration program, and funding for L.J. Chabert for construction of a flood protection ring levee.

LSU Medical Centers Appropriations

In October 2008, the LSU Board of Supervisors is expected to approve the appropriated and non-appropriated budget by hospital as follows:

	FY 07 Actual	FY 08 Existing Budget as of 7/31/08	FY 09 Recommended Budget
Earl K. Long	\$127,059,976	\$145,622,846	\$156,008,059
Huey P. Long	\$0	\$0	\$0
University	\$119,008,927	\$121,144,911	\$127,801,642
W.O. Moss	\$40,269,952	\$44,868,032	\$47,325,205
Lallie Kemp	\$41,288,654	\$46,612,115	\$43,947,680
Bogalusa	\$48,141,418	\$49,362,721	\$57,522,225
L.J. Chabert	\$91,199,926	\$105,245,441	\$112,917,411
MCLNO	<u>\$258,856,165</u>	<u>\$339,422,749</u>	<u>\$410,269,921</u>
Total Means of Finance	\$725,825,018	\$852,278,815	\$955,792,143

The HCSD Administration is funded by revenues that are recorded as expenditures of the hospitals and SGF appropriated revenues. Total anticipated central office expenditures area as follows:

FY 07	\$18,916,008
FY 08	\$23,730,470
FY 09	\$26,898,464

Note: The individual hospital allocations (\$955.7M) do not equal the total projected and appropriated FY 09 HCSD budget (\$970.4M). According to the HCSD Administration, approximately \$14,649,999 in UCC payments is being unallotted, or held in reserve, and will not be allocated to the hospitals. It is estimated by the Administration that the total UCC appropriation is not anticipated to be earned in FY 09.

MCLNO Appropriation

For FY 09, the LSU Board of Supervisors is expected to approve funding appropriated in Act 19 for the Medical Center of LA at New Orleans. This appropriation includes operational funding for the following: 1) staffed acute care beds (238); 2) staffed intensive care unit beds (31); and 3) staffed psychiatric beds (28) at the DePaul facility. Additionally, MCLNO projects an increase in services as follows:

- Inpatient acute care days by 50,455 (from 42,182 to 92,637);
- Inpatient ICU days by 2,134 (from 9,546 to 11,680);
- Inpatient psychiatric days by 4,406 (from 5,814 to 10,220);
- Clinic visits by 109,554 (from 81,446 to 191,000); and
- Emergency room visits by 20,455 (from 51,545 to 72,000);

Louisiana Legislative Fiscal Office

Section IV

BUDGETARY ISSUES

Fiscal Year 2008-2009

DEPT / AGY: Executive

Executive Office

ISSUE: LA Interoperability Communications Fund

The LA Interoperability Communications Fund is budgeted a total of \$24,263,697 for continued implementation of an interoperable communications system within the state to serve state and local emergency and first responders and to meet National Incident Management Systems (NIMS) communications requirements. Approximately \$21.3M has been appropriated for interoperability efforts since FY 07. A total of \$9,804,444 was transferred from the Statewide Emergency Response Fund (SERF) in FY 07 (via BA-7) to the Statewide Interoperability Communications Fund and an additional appropriation of \$11,468,930 (\$2,572,133 was carried forward from the FY 07 appropriation which provides for a total FY 08 appropriation of \$14,041,063) was made in FY 08 for a total effort to date of \$21,273,374.

This appropriation will provide the funding necessary to continue to implement communications abilities on the 700 MHz frequency as it becomes more widely used and also provide an IP (Internet Protocol) based interoperability solution. The IP solution will allow emergency responders to more easily utilize cellular phones for text messaging and voice communication during times of emergency and will allow disparate radio systems to communicate with one another. Initial expenditures have concentrated largely on implementation of the system in the southern part of the state where the new 700 MHz communications system is now fully operational in all parishes south of the I-10 corridor. Funding in FY 09 will provide for the completion of all infrastructure needs north of I-10. According to the DOA, this solution will provide 95% reliability which is considered to be full implementation.

Funding for FY 09 includes the following anticipated expenditures:

\$11,158,784 - funding for an additional 11 sites

\$3,697,500 - funding for subscriber units for first responders. A total of 221 units will be purchased for state agencies at a cost of \$2,500/unit and a total of 1,258 units to be owned by local governments through a cooperative endeavor agreement at a cost of \$2,500/unit. This price for radios has decreased approximately \$1,000/radio and has allowed for the purchase of 422 radios more than previously estimated with these funds, which is included in this cost. A total of 200 radios have been purchased for state police for emergency deployment purposes and 28 radios have been purchased for each parish with funds previously appropriated. According to State Police, once these funds are expended, approximately 3,500 radios will have been purchased to date with state funds, while nearly 26,000 have been purchased for locals primarily with federal funds. State Police also notes that the targeted number of radios statewide is approximately 60,000 which it anticipates purchasing over a 3-year period with additional federal grant funds as they become available.

These assets are in addition to 3 mobile command posts of which State Police operates 2 and GOHSEP operates one. These are equipped with 700/800 MHz, VHF, UHF, aviation and HF radio communications systems, IP gateway devices, satellite communications, video conferencing, telephone and computer systems. In addition, there are 3 state-owned mobile command trailers of which one is located in the northern part of the state, one at state headquarters, and one in the southeast region. Each is equipped with 700/800 MHz P25 trunked site, 800 MHz mutual aid repeaters, VHF/UHF mutual aid base stations, satellite dish, interoperability gateway, and internet and voice-over IP access.

\$8,367,828 - funding for system maintenance, fee relief (relieve state and local entities from paying monthly fees), and salary and related benefits (and associated expenses) of seven employees at state police. Total budget for salary and related benefits for these employees is approximately \$550,000 annually.

\$482,831 - funding for 4 positions and associated expenses in the governor's office. These positions have been vacant approximately one year. Funding is provided for 2 statewide interoperability engineers (salary range \$75,000 - \$90,000), statewide interoperability director (salary range \$100,000 - \$120,000) and an administrative assistant (salary range \$30,000 - \$50,000).

The DOA notes that ongoing personnel, maintenance, fee relief, and etc. costs for future fiscal years is as follows:

FY 10 - \$10.3M

FY 11 - \$12.3M

These costs are anticipated to increase by approximately 20% annually as more capacity is needed with this system.

These funds will be transferred via IAT to State Police which serves as system manager.

NOTE: The amount budgeted in FY 09 is \$556,754 greater than the estimated expenditures for interoperability in FY 09. These additional funds may either be reduced from the FY 09 appropriation or the legislature may choose to

DEPT / AGY: Executive Division of Administration

ISSUE: Additional Funding for Implementation of a New Statewide Financial System

The Division of Administration (DOA) has been appropriated a total of \$19.9M (\$16,184,000 2004 Overcollections Fund and \$3,755,000 SGF) in the FY 08 budget to begin planning and implementation of a new statewide financial system entitled ERP or Enterprise Resource Planning.

In an effort to hold implementation costs down, the DOA has chosen to go through the Request for Proposal (RFP) process rather than implement a SAP (software company headquartered in Germany) solution which was likely to be very costly, was not user friendly, and did not provide sufficient management reporting. In order to determine the best course of action, staff from the DOA took a total of 6 site visits to various states to get input regarding various alternatives. Following this information gathering, the DOA will go forward in this manner (estimated costs are based upon assumptions from SAP projections and feedback from comparable states):

- 1) Hire a consultant (or two) which will be responsible for designing the Request for Proposal (RFP) for a solution-based system for the DOA. The DOA anticipates the cost to be approximately \$100,000 for the 2 contracts.
- 2) Distribute the RFP for the solution-based financial system which means that the DOA will want the vendor to provide everything from the design of the product, complete integration and implementation, maintenance, support, upgrades and training. This solution could be an off-the-shelf solution which is customized for use in Louisiana or could be a totally customized product. The contractor will then be responsible for integrating and implementing this product with the state's current payroll system which has already been implemented and will be the only piece of the system currently in use to be sustained. Finally, the contractor will be required to provide maintenance and support of this system including any upgrades and will provide training as necessary. The DOA anticipates a contract of 3 years for implementation and integration and 5 years for maintenance and upgrades.
- 3) The DOA will put out an RFP for a State Project Director which will allow for a consultant to monitor the ongoing efforts by the contractor to implement the solution. Estimated costs for this service is anticipated to be \$9M over 3 fiscal years.

The DOA anticipates that the total cost of this project will be approximately \$70M. This includes:

RFP Assistance - \$100,000
 Hardware/Hardware Maintenance - \$9.7M
 Professional Services (State Project Director) - \$9M
 Software - \$7M
 Software Maintenance and Upgrades - \$11M
 Implementation - \$34M

Implementation includes detail design, configuration, customization, integration, change management, and training. The DOA estimates that this will take 3 years to complete implementation with 25% completed in FY 08, 30% in FY 09, and the remaining 45% in FY 10.

DEPT / AGY: Executive Division of Administration

ISSUE: Funding for Implementation of the Statewide Financial System, Enterprise Resource Planning (ERP)

The DOA is currently in the process of implementing (detail design, configuration, customization, integration, change management, and training) a new financial system which will be a multi-year project to provide a new solution to replace the existing statewide systems for financial, contract, and asset management; budget development; and purchasing. The new system will replace 41 existing systems. Current systems have become outdated, costly to maintain, and difficult to use. Implementation, ongoing maintenance, and enhancement of this new financial system is currently anticipated to cost over \$120M over the next 8 years. Of this amount, \$94.5M is anticipated to be spent through FY 11 for implementation costs and another \$28.3M through FY 15 for post implementation costs. This new system will replace a system originally implemented in 1994.

The DOA was appropriated a total of \$16,184,000 (2004 Overcollections Fund) in the FY 08 budget to begin planning and implementation of the Enterprise Resource Planning System (ERP). Most of these funds will be carried forward to FY 09 along with an appropriation of \$18.6M from the Overcollections Fund in FY 09. The DOA has completed the Request for Proposal (RFP) process and evaluation process and has chosen the vendor. Following approval of

the Procurement Support Team (PST) and the Office of Contractual Review, and upon signature of the commissioner of administration, the DOA will go forward with implementation of the new system which is anticipated to be completed in FY 11. According to the DOA, this system is expected to be viable for at least 10 years. Although new technologies are likely within this period, the DOA is confident that the new system will more easily transition to a new technology and will result in lower costs to do so.

The DOA will begin the process of implementing the new system over the next 3 years. The contract for ERP integration is anticipated to cost \$45M and will be performed by IBM. The vendor will provide everything from the design of the product, complete integration and implementation, maintenance, support, upgrades and training. The contractor will then be responsible for integrating and implementing this product with the state's current payroll system which has already been implemented and will be the only piece of the system currently in use to be sustained. The DOA anticipates a contract of 3 years for complete implementation and integration (financial management will be completed in less than 2 years) and 5 years for maintenance and 2 free software upgrades. Training will also be provided as needed. As the current DOTD system is in the most dire condition due to technical obsolescence and lack of people to maintain this system, the DOA is considering phasing in all functionality for this agency first. Decisions on implementation will be made during the 8 month design phase.

Additional costs related to this project include:

Staff augmentation (\$16.3M) - The DOA entered into a contract in June 2007 for technical assistance. The contractor will provide assistance in completion of RFP, evaluation of responses to RFP, contract negotiations, acquisition support, best practices from other states, and implementation support.

Independent Verification and Validation (\$525,000) - The DOA will contract with entity which will assure that contract deliverables are met. Contractor primarily serves an auditing function for the DOA with new system.

Post Implementation Support (\$9M) - contract for enhancement to system and to provide for changing needs.

Hardware (\$4.5M) - Additional hardware anticipated for complete system implementation.

Software and Software Maintenance (\$19.8M) total estimated costs for software and software maintenance through FY 15.

Salaries and operational costs for new state employees (\$20.5M) - The Office of Information Services (OIS) in the DOA will add a total of 25 classified positions in FY 12 due to the implementation of the new system. These positions will cost up to \$2M per year. This additional staff will be added to the 12 positions currently employed in this office to maintain the existing ISIS system. The OIS will also add up to 20 positions which will include staff transferred from other agencies through FY 11 to assist with the implementation. These staffers will be given a 10% raise during this time period. These staffers will return to their original agencies in FY 12. This cost is anticipated to be \$2M per year through FY 11. According to the DOA, any agency which loses employees during this time period will be allowed to replace these employees until their return. Additional operational costs associated with these positions are estimated at \$850,000 in this time period.

An additional \$7.2M is anticipated for merging the current HR (Human Resources system) with the new ERP and the associated software and software maintenance through FY 15.

The DOA does not currently have an estimate of potential reductions in personnel costs across state agencies due to the efficiencies brought about by this system. Efficiencies in state agency operations could potentially reduce the total costs of the increases in personnel at the DOA which are anticipated.

DEPT / AGY: Agriculture & Forestry

Office of Agriculture & Forestry

ISSUE: Debt Service Payments

After FY 08 debt service payments, there is approximately \$98M in overall debt the Department of Agriculture & Forestry still owes from various building projects and equipment purchases. The bond approvals by the State Bond Commission were backed by \$12M received each year in tax dollars from slot machines at horse racing tracks.

After the Department makes the projected FY 08 total debt service payments of \$11,987,361 in FY 08, the remaining projects that equate to approximately \$97.7M debt still owed include:

- \$45M Lacassine Sugar Syrup Mill project (original 2004 debt issuance)
- \$6.4M 2006 Boll Weevil Notes

FY 2009 MAJOR BUDGET ISSUES

- \$31M Firefighting equipment and Opelousas building
- \$9.6M Various construction projects in 2006
- \$5.7M Various construction projects in 2007
- \$97.7M Total debt still owed

Included within Act 19 of the 2008 Regular Legislative Session (HB 1) is \$12M in budget authority from the LA Agricultural Finance Authority Fund (R.S. 3:277) for debt service payments. The agency is projected to pay approximately \$5.2M in total bond interest payments and \$6.8M in total principle payments in FY 09. The agency is projected to make the following payments in FY 09:

- \$3,188,158 Interest and fees on Lacassine Syrup Mill Bonds
- \$424,320 Interest on 2006 Boll Weevil Notes
- \$1,627,500 Interest on various construction projects in 2007
- \$360,022 Principal on Lacassine Syrup Mill Bonds
- \$6,400,000 Principal on 2006 Boll Weevil Bonds
- \$12,000,000 TOTAL

To the extent that the interest rates do not change, the 2006 Boll Weevil Notes should be *paid in full at the end of FY 09*, the various construction projects in 2006 and 2007 should be *paid in full at the end of FY 13*, the Lacassine Syrup Mill bonds shall be *paid in full at the end of FY 15* and the firefighting equipment and a building in Opelousas shall be *paid in full by FY 18*. To the extent that the Department does not borrow any more funding through bond approvals, all state debts shall be paid by FY 18.

DEPT / AGY: Agriculture & Forestry

Office of Agriculture & Forestry

ISSUE: Boll Weevil Program

According to the Commissioner of Agriculture & Forestry, the Department's Boll Weevil Program will be approximately \$5.4M short in revenues for projected FY 09 needed expenditures. However, additional funding in the amount of \$5.4M for the program was appropriated in Act 511 (HB 1287), the FY 08 Supplemental Appropriations Bill.

The Department of Agriculture & Forestry's Boll Weevil Program utilizes the Boll Weevil Eradication Fund to fund its yearly expenditures. Per R.S. 3:1615, this fund collects assessments based upon the number of acres of cotton planted in an eradication zone. The Department is requesting \$5,394,313 in SGF to fully fund the Boll Weevil Program in FY 09 due to the projected shortfall. According to the agency, there are various reasons as to why a shortfall exists. Those reasons include:

- Overall reduction in cotton acreage from 650,000 - 300,000 causing revenues from the \$6 per assessment per acre to decrease from \$3.9 M to \$1.8M These revenue collections are deposited in the Boll Weevil Eradication Fund.
- USDA grant providing funding in the amount of \$1.2M will be completely expended in Fall 2008 (expired).
- In the locations where corn and soybeans were planted in place of cotton, the boll weevil population remains, and will require spraying in 2009 (crop rotation).

Below is the projected FY 09 expenditure break down:

Salaries & Related Benefits	\$3,215,109
Surveying	\$409,530
Pesticides	\$2,571,100
<u>Operating Services</u>	<u>\$983,951</u>
TOTAL COSTS	\$7,179,690
<u>Less: Assessment Revenue</u>	<u>(\$1,785,377)</u>
TOTAL SHORTFALL	<u>\$5,394,313</u>

Below is a listing by fiscal year of actual revenue collections of the Boll Weevil Eradication Fund, which is one of the means of financing utilized to fund the Boll Weevil Eradication Program. This fund's collections vary from year-to-year depending upon the cotton field acreage and based upon the \$6 per assessment per acre each fiscal year.

- FY 03 \$12,449,046
- FY 04 \$10,917,721
- FY 05 \$11,397,702
- FY 06 \$9,727,347
- FY 07 \$7,584,490

FY 2009 MAJOR BUDGET ISSUES

Included within Act 19 of the 2008 Regular Legislative Session (HB 1), is a projected \$5.4M shortfall in the Boll Weevil Eradication Program for FY 09 that has not been supplemented with SGF or another means of financing. Act 1 (HB 1116) of the 2008 Regular Legislative Session is a supplemental appropriation that provides \$2M for the Department to address Boll Weevil Program needs in the current year, FY 08. The Division of Administration (DOA) is recommending the Department refinance its existing debt structure, which is currently paid with \$12M from racetrack slots, to free up additional monies to fund the projected FY 09 shortfall within the Boll Weevil Program. The Department disagrees with this recommendation. To the extent the Department does not borrow any more funding, all debt shall be paid by FY 18. Included within Act 511 (HB 1287) is \$5.4M of SGF for the Boll Weevil shortfall in FY 09. These FY 08 monies will be carried forward into FY 09 in August 2008 to alleviate the \$5.4M shortfall in FY 09. This plan is contingent upon the approval of a Carry Forward BA-7 by the Joint Legislative Committee on the Budget (JLCB).

To date, approximately \$125M has been spent on LA's Boll Weevil Program, which includes state, federal and farmer resources since 1997.

DEPT / AGY: Agriculture & Forestry

Office of Agriculture & Forestry

ISSUE: Vehicle/Airplane Fleet

The Department of Agriculture & Forestry currently has approximately 943 vehicles within their road-licensed fleet for an agency with FY 09 recommended T.O. positions of 810. Below is the breakdown of these vehicles by program.

Office of Management and Finance - 144
Office of Marketing - 6
Office of Agricultural and Environmental Sciences - 345
Office of Animal Health Sciences - 137
Office of Agro-Consumer Services - 75
Office of Forestry - 228
Office of Soil and Water Conservation - 8
TOTAL - 943

Of the total 943 vehicles, approximately 462, or 49%, of these vehicles exceed 100,000 miles, which is one of the criteria needed in order to request replacement vehicle funding per fiscal year.

Also, the Department currently maintains 331 heavy equipment and transport vehicles and 21 airplanes. The heavy equipment and transport vehicles include: 4-wheelers, cab chassis, tractors, crawlers, forklifts, fire trucks, tree shakers, wood seeder. The airplanes are utilized within the Forestry Program for fire detection and suppression activities of LA's forests.

The Department has indicated to the Legislative Fiscal Office (LFO) that the executive staff is currently reviewing the vehicle fleet and reductions could occur within subsequent fiscal years in an effort to reduce the operating expenditures associated with maintaining such a large fleet.

DEPT / AGY: Insurance

Commissioner of Insurance

ISSUE: Insure LA Incentive Program

On 12/19/07, the Joint Legislative Committee on the Budget (JLCB) approved \$29M in statutorily dedicated funding for the first round of approved insurance company applications. Based upon program rules, the \$29M in grants will produce \$116M in written premium.

The following property insurers have applied and have met the qualifications of the program to be granted the award:

- *Occidental Fire and Casualty of North Carolina - \$10M grant (Most recent A.M. Best rating: A-)
- *Companion Property and Casualty Insurance Company - \$2M grant (Most recent A.M. Best rating: A)
- *Southern Fidelity Insurance Company - \$7M grant (Most recent A.M. Best rating: A)
- *Imperial Fire and Casualty Insurance Company - \$5M grant (Most recent A.M. Best rating: B++)
- *ASI Lloyds - \$5M grant (Most recent A.M. Best rating: B++)

There is still approximately \$71M available in the Insure LA Incentive Program Fund for the remainder of the

program. As specifically provided for in current law, all monies still remaining upon the completion of the second round within this fund will revert to the SGF. However, Act 390 (SB 44) of the 2008 Regular Legislative Session provides for a third grant offering.

If all \$100M grant monies are awarded, it will create approximately \$400M in additional premium written in Louisiana, which is approximately 1/3, or 30%, of the homeowners insurance premium written in LA. There is approximately \$1.3B in homeowners insurance premium written each year in LA.

The Insure LA Incentive Program Fund was created via Act 208 (HB 615) of the 2007 Regular Legislative Session. Of the \$972.3M SGF deposited into various statutory dedicated funds (Act 208 of the 2007 Regular Legislative Session), \$100M was deposited in the Insure LA Incentive Program Fund for this program. Act 208 transferred \$200M SGF from FY 06 surplus and \$772.3M SGF from FY 07 receipts into other various statutory dedications one of which was the Insure LA Incentive Program Fund.

The Department of Insurance (DOI) is currently reviewing 2 potential grant receipts for the second round of grant awards. To the extent these companies are awarded grant monies, these awards will most likely come before the JLCB in FY 09 (August 2008).

The Insurance LA Incentive Program was created via Act 447 (HB 678) of the 2007 Regular Legislative Session and has been designed to stimulate additional property insurance capacity within LA. The program is a state match program for property insurers who commit to writing new business in the State. The commissioner of insurance may grant matching capital funds to qualified property insurers.

Included within the Act 19 of the 2008 Regular Legislative Session (HB 1) is language that specifically provides for the DOI to submit a monthly report to JLCB on the Insure LA Incentive Program.

2008 Regular Legislative measures that will impact the Insure LA Incentive Program:

Act 390 (SB 44): As mentioned above Act 390 provides for a third invitation to the Insure LA Incentive Program and for any monies remaining within the program fund after the third invitation be allocated to the Homeowner Policy Premium Assistance Program.

Act 469 (SB 588): This Act also creates the Homeowner Policy Premium Assistance Program, but provides if less than \$35M remains within the fund after the third offering, then the remaining monies will be used to accelerate payoff of the Unfunded Accrued Liability of the State retirement systems.

DEPT / AGY: Insurance Commissioner of Insurance

ISSUE: LA Citizens Property Insurance Corporation (Citizens)

In December 2005, the LA State Bond Commission approved a bond issue in the amount of \$978,205,000 to recover the deficit for the 2005 Fair and Coastal Plans that LA Citizens Property Insurance Corporation currently administers. These revenue bonds are not secured by the full faith and credit of the State. Thus, no State liability is involved within this bond transaction. As provided in R.S. 22:1430.16, these Citizens debt service payments will be paid by insurance companies' emergency assessments, which will be passed on to the consumer by policies issued under the following insurance subject lines: fire, allied lines, homeowners multi-peril, commercial multi-peril. The projected debt service payment for FY 09 will be \$80M depending upon interest rates. This debt service payment could be higher in FY 09 due to \$300M bonds of the original \$978.5M being auction rated bonds, meaning the interest rates will fluctuate. Auction-rate bonds are bonds whose interest rates usually reset every 7, 28 or 35 days at bidding conducted by dealers who are paid for conducting the sale. These particular auction bonds' interest rate is based upon a 35-day auction period. During a failed auction, the interest of the \$300M debt will reset to the backstop of 14%. If the auction rate bonds fail, Citizens' bond payment could reach approximately \$160M. However, due to cash on hand, Citizens would not likely need the increased emergency assessment until calendar year 2009 to cover the cost. The \$300M auction rate bonds are actually broken up into 4 bond sub-series of \$75M each.

These debt payments are scheduled over a 20-year period ending in 2027. Assuming a 5% interest rate, the total cost of the \$978.2M bond issue could be approximately \$1.7B over the total 20-year life of debt service. Under the statutes that govern Citizens, insurance companies are allowed to pass these emergency assessments to its policyholders as surcharges on their annual premium notices. However, R.S. 47:6025 provides for a refundable state tax credit for LA tax payers who pay surcharges (emergency assessment) in addition to their annual insurance policy premium. Thus, if the bond payments increase, the emergency assessment will likely increase, which will result in the tax credit increasing and the financial exposure of the SGF increasing (potential decrease in SGF revenues).

FY 2009 MAJOR BUDGET ISSUES

SB 105 was filed during the 2008 Regular Legislative Session to allow the State to purchase Citizens' auction rated bonds to prevent the high backstop rate from increasing their bond payments (Bill did not move during the 2008 Regular Legislative Session). According to Citizens, if this bill was enacted, Citizens would not have requested the State to buy those bonds as they are looking at options to refinance the \$300M debt that is auction rated bonds. Citizens current plan is to eventually refinance the debt by getting a line of credit in the amount of \$300M at a fixed interest rate once FY 06 and FY 07 financial statements are complete.

Citizens can handle an \$850M storm without an emergency assessment or regular assessment based upon the amount of reserves and purchased reinsurance coverage. Variables that impact the amount of potential storm coverage include: reinsurance coverage and the number of storms, which allows for reserve build-up if no additional storms occur. Assuming no major storms this year, in FY 09 Citizens could potentially handle a \$1.02B storm.

Citizens has approximately 170,000 policies and \$30B in insured values. Of the 170,000 policies Citizens currently has, approximately 30,000 policies are expected to be transferred from Citizens as a part of the take-out program effective June 1, 2008.

LA Citizens Property Insurance Corporation is a non-profit entity of the State created within statute, R.S. 22:1430, and is not a budget unit within the appropriations bill or a program of the DOI. The DOI's role within Citizens is a policy one as Department employees are Citizens board members and regulatory as DOI reviews its rate filings.

DEPT / AGY: Economic Development

ISSUE: Business Recovery Grant and Loan Program

The goal of the Business Recovery Grant & Loan Program is to assist small firms in hurricane affected parishes that have a chance to survive, contribute to the economy, and maintain and create jobs. The Joint Legislative Committee on the Budget (JLCB) has approved a total of \$220.8M towards this program on 3 different dates. All of these funds are Federal Community Development Block Grant (CDBG) funds, first appropriated to the LA Office of Community Development (OCD). Some of the funds appropriated represent proceeds of loans repaid to the program. The Department of Economic Development (DED) is undertaking Phase II of this program.

On December 19, 2007 the JLCB approved the latest \$68M (part of the \$220.8M total approved by JLCB to fund a combination of grants/loans associated with Phase II of the Business Recovery Grant & Loan Program). These funds are CDBG funds appropriated to the LA Office of Community Development (OCD) as part of Action Plan Amendment 16 approved by the U. S. Department of Housing & Urban Development (HUD). The DED will use another \$12M in residual funding from Phase I of the Business Recovery Grant & Loan Program to fund Phase II. Total program funding for Phase II of the program is \$80M (\$68M from the BA-7 and another \$12M in residual funding from Phase I). These funds do not require a matching component from the State.

The DED will use the \$80M to pay a combination of grants/loans to participating businesses. Grants/loans provided with these funds will target small firms with 1 - 100 employees. Each combination of grant/loan will range from a minimum of \$20,000 to a maximum of \$100,000. Each business' award will be a 20% grant (no repayment required) and 80% interest free loan (interest free period is 2 years, with 4% annual interest thereafter). Repayment periods on the interest free loans will be 3 - 7 years. The DED estimates that the requested funds will provide approximately 2,000 combined grants/loans with an average combined award of \$40,000 each.

Businesses eligible for these grants must have been in operation prior to the storms and must have reopened. Eligible businesses must have had annual revenues of \$25,000 or greater prior to the storms. Upon meeting the \$25,000 requirement for pre-storm annual revenues, participating business must demonstrate at least \$20,000 in storm asset losses or a 20% decline in revenues due to the storms to participate in the program. Businesses from the following parishes will be eligible to participate in Phase II of the program: Calcasieu, Cameron, Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany, Vermilion, Acadia, Allen, Beauregard, Iberia, Jefferson Davis, Lafourche, St. Charles, St. John the Baptist, St. Mary, Tangipahoa, Terrebonne, and Washington.

DEPT / AGY: Culture, Recreation & Tourism Office of Secretary

ISSUE: New Orleans City Park

Act 19 (HB 1) includes approximately \$3.6M for New Orleans City Park. Funding provided will be for the continuation of basic operations of the park complex, as well as recovery and rebuilding efforts. Funding is also provided for the Office of Risk Management for general liability, property, auto, worker's compensation, and

insurance for the park including unpaid balances from prior years.

There are no positions included in the CRT budget for City Park, but due to a cooperative endeavor agreement CRT reimburses the park for some salaries. Currently, the park has 135 employees. This includes 60 full-time and 75 part-time/seasonal employees for a total of 135 employees compared to a total of 240 employees in previous fiscal years (100 full-time and 140 part-time/seasonal). These numbers do not include golf employees.

DEPT / AGY: Transportation & Development

ISSUE: State Transportation Funding

The backlog of unmet construction needs at the end of calendar year 2006 was estimated to be \$14B and is expected to grow to approximately \$17B by 2010. This backlog has grown approximately \$700M/year since 1998. This backlog is broken down as follows:

\$814M - Pavement preservation
\$2.1B - Bridge preservation
\$3.3B - safety
\$7.8B - capacity

DOTD is in the process of updating these figures based upon recent investment of surplus dollars. According to DOTD, the incremental increase in vehicle sales taxes dedicated to highway construction will likely begin to reverse the backlog over the seven year phase-in.

DOTD has approximately \$400M in discretionary funding annually to address this issue. The state gasoline tax has been set at \$.16 since 1984 with an additional \$.04 dedicated to the Transportation Infrastructure Model for Economic Development (TIMED) in 1989. As this tax was not indexed for inflation, the buying power of this revenue source has been reduced considerably over this same time period, and especially following Hurricane Katrina. DOTD indicates that the buying power of this funding source has been reduced by nearly half since its inception. While gasoline tax revenues have grown at a rate of approximately 2.5% annually since 1992, construction costs have increased over 20% due to recent hurricanes and materials shortages. In addition, personnel costs (salary and related benefits) continue to increase 5 - 8% annually while revenue increases approximately 2.5% annually. As TTF funds the majority of both operational and construction costs, increasing operational costs have negated any growth in funding available for construction.

The following efforts have been made to address this issue:

Some of this backlog was addressed by during the 2007 Regular Session when \$600M was appropriated for highway construction. An additional \$396M was appropriated for highway construction in the 2nd Extraordinary Legislative Session of 2008.

In addition, Act 11 of the 2nd Extraordinary Legislative Session of 2008 provided additional funding from vehicle sales taxes which historically have accrued to the SGF. This legislation will a certain percentage of these funds into the TTF until such time as it receives 100% of collections in FY 15 (this legislation also phases in registration and license taxes on trucks and trailers into the State Highway Improvement Fund.) Based on Revenue Estimating Conference figures, a total of \$42.4M will be redirected in FY 09 and will account for nearly \$364M in FY 15 when the phase-in is complete. *Note:* If a deficit is projected due to a decrease in the official forecast of the Revenue Estimating Conference, the treasurer will reduce the deposits by an amount equal to the amount of the projected deficit less the amount which is authorized to be appropriated from the Budget Stabilization Fund.

Funding to State Police for traffic control purposes has been eliminated. While this expense is authorized in the Constitution (Article VII, Section 27 (B)), these funds were reduced entirely in the FY 08 budget for State Police. Over \$300M has been appropriated to State Police for this purpose since FY 98.

NOTE: The Federal Highway Trust Fund is projected to deplete its funding in FY 09 and unless this issue is addressed, national transportation needs will not be addressed. Should reauthorization not occur (the current six-year federal transportation act, SAFETEA-LU expires on September 30, 2009) in the near future, the state could experience a loss of \$100 - \$200M in federal highway funds.

Finally, according to DOTD, TTF-TIMED (\$.04) revenue growth is anticipated to decline and will not be sufficient for bond payments on TIMED projects which may require use of the TTF-Regular (\$.16) for this purpose as required in the bond indenture. This will negatively impact highway construction and will likely affect the state's ability to match federal funding.

DEPT / AGY: Public Safety

ISSUE: Insurance Fraud Unit

The Joint Legislative Committee on the Budget (JLCB) approved a BA-7 (12/07) for the Criminal Investigation Program in the amount of \$644,484 from the Insurance Fraud Investigation Fund. Approval of the BA-7 in December 2007 reduced the projected FY 08 fund balance for the Insurance Fraud Investigation Fund from \$1.01M to \$490,000. The projected fund balance will not revert to the SGF and will be available for expenditure in FY 09. Thus, based upon current projections, there will be \$3.25M in total revenue for expenditure from this statutory dedication in FY 09. Currently, this statutory dedication's recommended funding level for FY 09 is \$2,245,455. Assuming the projected FY 09 revenues of \$2.8M are correct, the current projected FY 09 ending fund balance for this statutory dedication is \$1,002,435. The State Police Insurance Fraud Unit currently has \$349,768 SGF funding in its FY 08 expenditures with the remaining being the Insurance Fraud Investigation Fund.

Contained in the BA-7 write-up by the Legislative Fiscal Office (LFO) in December 2007 is the recommendation that a means of financing substitution be included within the FY 09 Executive Budget Recommendation reducing the SGF in the amount of \$349,768 and increasing the Insurance Fraud Investigation Fund in a like amount. Thus, State Police's Insurance Fraud Unit will be completely supported by non-SGF revenue, as has been the practice historically. This MOF substitution is **not** included in the Act 19 (HB 1). The LFO still recommends this MOF substitution be included in FY 09.

NOTE: The fund projections above include the budget reductions contained within Act 511 (HB 1287) of the 2008 Regular Legislative Session within the Insurance Fraud Investigation Fund. Those reductions include: \$42,670 within the Department of Public Safety and \$16,832 within the Department of Justice.

DEPT / AGY: Public Safety

ISSUE: Unified Carrier Registration (UCR)

Act 724 (HB 550) of the 2008 Regular Legislative Session authorizes the implementation of the Unified Carrier Registration (UCR) Program in LA for interstate truck operations. This is a new federal registration requirement that was authorized in the last Federal Highway Bill for all companies with a US DOT number and subject to the jurisdiction of the Federal Motor Carrier Safety Administration.

Upon federal approval of UCR, the Single State Registration Program (SSRS), which was administered by the LA Public Service Commission (PSC), was abolished within the same Federal Highway Bill (SAFETEA-LU). Thus, the PSC is in the process of attempting to locate jobs for the 13 individuals who worked within the SSRS Program who are no longer needed. Also, the PSC is working with the Department of Civil Service in implementing the layoff plan if those individuals are unable to locate other state eligible jobs. Currently, they are on forced leave from July 7, 2008 to August 15, 2008.

Act 724 (HB 550) authorizes the Department of Public Safety (State Police & Motor Vehicles) to implement UCR in LA and creates a new statutory dedication, Unified Carrier Agreement Fund, within the State Treasury. Proposed legislation will result in an increase in expenditures in the amount of \$235,604 within the Department of Public Safety (DPS). Since State Police enforces other motor carrier laws, there will be approximately 117 existing state troopers on the road enforcing UCR. However, an additional \$58,457 (\$37,524 - salaries, \$16,733 - related benefits, \$200 - operating services, \$250 - supplies, \$300 - IAT, \$3,450 - acquisitions) and 1 T.O. position will be needed within State Police Motor Carrier Section for a clerical position. Act 724 also provides for the Office of Motor Vehicles (OMV) to oversee registration, which will require \$177,147 in additional expenditures (\$105,207 - salaries, \$48,590 - related benefits, \$3,000 - travel, \$8,100 - operating services, \$1,000 - supplies, \$900 - IAT expenditure category, \$10,350 - acquisitions) for 3 additional T.O. positions for registration processing and data entry. These expenditures have not

been budgeted within State Police for FY 09. According to the Department, a BA-7 will be submitted to budget the statutory dedicated expenditures and 4 additional positions in FY 09 within State Police and OMV for UCR enforcement.

The 2005 Federal Highway Bill eliminated the SSRS and created a UCR System (effective 1/1/07). The PSC administered the SSRS and collected registration/enforcement revenues from this program. Elimination of the SSRS also eliminated a revenue source of the PSC. Included within the PSC's fiscal note response for HB 550, the PSC indicated to the Legislative Fiscal Office that the legislation would result in the reduction of 17 T.O. positions funded with \$1.3M SGR. However, the elimination of the SSRS and the adopted federal administrative rules by the UCR Board of Directors indicate that the UCR is subject to safety regulation and not economic regulation. Therefore, the loss of positions by the PSC appears to result from the elimination of the SSRS and the adopted federal administrative rules by the UCR Board of Directors rather than DPS' assumption of safety enforcement. Act 724 merely grants legislative authority to the Department of Public Safety to administer and enforce the UCR.

DEPT / AGY: Public Safety

Office of Management & Finance

ISSUE: Statewide Building Code

There is approximately \$18.6M of total funding allocated for assistance with the statewide building code implementation that has not yet been appropriated. Those specific amounts include the following:

*\$4.6M – remaining funding allocation of the original \$11.4M federal allocation awarded in FY 07 to the DOA. Approximately \$6.8M was appropriated in FY 07.

*\$14M – Hazard Mitigation Program funds awarded to the Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP) in March 2007. This funding has not yet been appropriated, which was federally approved in March 2007. This funding will be granted to the GOHSEP and most likely sent via Interagency Transfer (IAT) to the Department of Public Safety (DPS). Expenditures associated with this funding will be for local building code enforcement officials training so they can accurately implement the mandates of the building code. Expenditures of these funds will also be for jurisdictions to assist in the establishment of code offices. This funding will be provided on a reimbursement basis. The Department of Public Safety in conjunction with the UCCC is working with the LA Recovery Authority (LRA), GOHSEP, LA Municipal Association (LMA) and the LA Police Jury Association (LPJA).

Funding already appropriated for statewide building code includes the following:

*FY 07 - \$6.8M in IAT from the Division of Administration (DOA-Office of Community Development-Disaster Recovery Unit (DRU) via the U.S. Department of Housing & Urban Development (HUD). The JLCB appropriated this amount during the November 2006 meeting. The expenditures associated with these funds are for construction code enforcement for parish and/or municipal governments in the 11 parishes most severely impacted by hurricanes Katrina and Rita. These funds are on a reimbursable basis meaning the Department will spend the money and be reimbursed the funds from the DOA. This funding is from the \$10.4B allocated to the LRA/DRU from the U.S. Department of Housing & Urban Development's Community Development Block Grant Program (CDBG). Of this amount, \$11.4M was allocated for building code enforcement. DPS was budgeted \$6.8M in FY 07; therefore there is still \$4.6M available for building enforcement from the original \$11.4M allocation. According to the DRU, once the \$6.8M has been spent, an analysis will take place to determine the best way to spend the \$4.6M.

*FY 07 - \$8M Statutory Dedications - State Emergency Response Fund (SERF). The JLCB approved this amount during the December 2006 meeting. The expenditures associated with these funds were for construction code enforcement for 53 parishes within LA not included in the \$6.8M CDBG funding. Approximately 70 new local code offices have opened as a result of these monies.

*FY 08 - \$3.5M Statutory Dedications - State Emergency Response Fund (SERF). These monies are upfront in order for small local governments to utilize for building code enforcement. The \$6.8M and \$14M for the federal government are reimbursable grant programs. In order to be reimbursed, the local government must have money to expend. The \$8M in SERF appropriated through BA-7 in FY 07, and the \$3.5M SERF for FY 08 is mainly for the local governments who have no financial resources available to them for building code enforcement.

NOTE: The DPS carried forward into FY 08 \$1,032,979 IAT and \$1,954,402 Statutory Dedication - State Emergency Response Funding (SERF) for building code enforcement expenditures initially budgeted in FY 07. Therefore, the total amount budgeted in FY 08 for building code enforcement in FY 08 was \$6,487,381 (\$1,032,979 IAT & \$5,454,402 SERF). This funding has been non-recurred during the FY 09 budget development process within the DPS's Office of Management & Finance.

As it stands now, the total amount of funding made available to local governments for the implementation of the

FY 2009 MAJOR BUDGET ISSUES

uniform building code is \$37M. There is no funding in Act 19 of the 2008 Regular Legislative Session (HB 1) for building code activities other than the basic operating expenditures of the Uniform Construction Code Council, which are approximately \$300,000 SGF.

DEPT / AGY: Public Safety

Office of State Police

ISSUE: State Trooper T.O. Positions

Included within Act 19 of the 2008 Regular Legislative Session (HB 1) is funding for a 50-man cadet class and associated expenditures, which includes expenditures for personal services, new vehicles, uniforms, guns/ vests, fixed costs (includes but not limited to: firearms, officer survival training, defensive driving, duty officers, academy staff overtime, first aid supplies) and variable costs (includes funding that is transferred to the State Police Training Academy for dormitory fees, tuition and meals). Of the total cost of \$6,560,454, one-time expenditures are \$3,384,063 which can be non-recurred during the FY 10 budget development process. The one-time costs include \$2,714,900 in acquisitions and \$669,163 in IAT expenditure category for State Police Training Academy costs. By increasing the State Trooper T.O. positions within State Police for FY 09, there will be 1,153 State Troopers of which 672 will be road patrol State Troopers. The means of financing utilized to fund this will be \$4.5M SGR, \$1,803,111 Overcollections Fund and \$257,343 Riverboat Gaming Enforcement Fund. The original source of the SGR is Office of Motor Vehicle (OMV) Transfer-in revenues. The expenditure breakdown is: salaries - \$1,887,900; related benefits - \$965,141; travel - \$62,500; operating services - \$22,500; supplies - \$170,000; professional services - \$68,350; IAT - \$669,163; and acquisitions - \$2,714,900. A major component of the \$2.7M in acquisitions is 50 new vehicles and associated expenditures which includes up fitting package, radar, car radio, portable radio, mobile data terminals (MDT), in car camera, tasers and stop stick. The future fiscal impact of this enhancement in FY 10 will be \$3,607,593 and \$3,676,668 in FY 11. Also, State Police will conduct a 30-man attrition class which began in April 2008. The cost of the attrition class is significantly cheaper due to the fact there are no additional T.O. positions. The salaries and related benefits expenditures are already contained within the base budget.

Also, included within Act 19 is the transfer of 15 state trooper positions from other programs within State Police to the Traffic Enforcement Program to increase the number of state troopers on the road. With the additional 50-man class and the transfer of 15 state troopers from other areas of the agency, there will be approximately 672 state troopers on the road in FY 09. The current starting salary for a state trooper is \$40,906.

DEPT / AGY: Public Safety

Office of State Police

ISSUE: Riverboat Gaming Enforcement Fund

Based upon revenue projections, Act 511 (HB 1287) of the 2008 Regular Legislation Session reductions and current FY 09 Riverboat Gaming Enforcement Fund appropriations presented in Act 19 (HB 1), the projected ending FY 09 fund balance for the Riverboat Gaming Enforcement Fund is \$1,217,889. The reason for such a large FY 08 projected surplus is due to the reductions contained within Act 511 in the amount of \$1.2M.

The Riverboat Gaming Enforcement Fund is a statutory dedication funded from fees collected by the Gaming Division and forwarded to the State Treasurer. After complying with the dedications provisions contained within R. S. 27:92 for this fund, which includes revenue deposits into the Compulsive & Problem Gaming Fund, the Support Education in LA First Fund (SELF), and the SGF, the remaining monies may be withdrawn from the fund pursuant to legislative appropriation to be used solely for the following:

- 1) Department of Justice (DOJ) – for regulatory, administrative, investigative, enforcement, legal and other expenses.
- 2) LA Gaming Control Board – for the regulation of gaming activities authorized by Title 27.
- 3) Office of State Police (AFIS) – for expenditures associated with the automated fingerprint identification system (AFIS) only after the expenditures of the DOJ and the LA Gaming Control Board are addressed.
- 4) Office of State Police – for general expenditures within State Police only after all funding is budgeted for the expenditures of the DOJ, LA Gaming Control Board and AFIS.

The total revenue available for expenditure from the Riverboat Gaming Enforcement in FY 09 will be approximately \$70.5M, which includes a projected beginning FY 08 fund balance of approximately \$3.8M. According to the latest Revenue Estimating Conference (REC) projections (5/09/08), this fund will collect approximately \$61.6M in FY 09 for the projected total revenue available of \$69,310,686 in FY 09. Below is a listing of the projected recommended FY 09 budgeted amounts.

FY 2009 MAJOR BUDGET ISSUES

FY 09 Projected Revenue Available	\$70,548,250
FY 09 Act 19 (HB 1)	<u>\$69,330,361</u>
Projected FY 09 Fund Shortfall	\$1,217,889

Contained within Act 511 is the following reductions to Riverboat Gaming Enforcement Fund budget Authority:

*Department of Justice	(\$893,341)
*State Police	(\$304,449)
*Gaming Control Board	<u>(\$39,774)</u>
*TOTAL	(\$1,237,564)

DEPT / AGY: Public Safety

Office of Motor Vehicles

ISSUE: The REAL ID Act

On May 11, 2005 the U.S. Congress passed the Real ID Act as part of the Emergency Supplemental Appropriations Act for Defense, the Global War on Terror and Tsunami Relief Act. The Real ID Act does not mandate states to make changes, but residents of states that do not comply with the standards of the Real ID Act will not be able to use their driver's licenses as a valid form of identification to board planes, enter federal buildings or easily qualify for federal services. The Act requires individuals to provide specific documentation such as a photo ID, proof of date of birth, Social Security number, address and citizenship in order to obtain a driver's license. This data will be authenticated, digital copies, archive in a database and make the database available to other states and federal agencies. The U.S. Department of Homeland Security estimates the total cost of state implementation being \$4.0B.

To the extent that the Legislature and the Administration support LA participating in the REAL ID Act, funding will most likely be needed in FY 10 within the Office of Motor Vehicles (OMV) and beyond to fulfill the REAL ID requirements.

FISCAL IMPACT:

The OMV's original cost assessment of this mandate was between \$12 - \$18M. However, with the new rules being published by the U.S. Department of Homeland Security in January 2008, these costs could be between \$10 - \$12M of one time expenditures, with additional funding needed for yearly maintenance contracts. The specific potential costs of LA becoming Real ID Act compliant includes: specific security features of the new license card, identification requirement process and the access of Social Security On-line Verification (SSOLV). **The \$10 - \$12M is only an estimate by the OMV as their current focus is the completion of the Next Generation Motor Vehicle (NGMV) project, which is scheduled to come online in Fall 2008.**

The REAL ID requirements include: developing security plan, making process of REAL ID compliant card, machine readable zone on license, photo at the time of application instead of after issuance, verification of source documents required at renewal, maintain history of name change, re-verify social security number at renewal, state-to-state check, and digital exchange of photo between states.

Items of potential significant costs of implementing the requirements of the REAL ID include: 1) The new license/identification cards, which will require marking the license Real ID compliant (current contract cost is \$1.64 per card, while the projected cost of the new card is \$3 per card); 2) Additional personnel and funding associated with the development of a system infrastructure to verify source documents; 3) Connection to the System Alien Verification of Entitlement interface, which will cost approximately \$5,000 of one time costs and \$0.26 per system inquiry; 4) Additional desktop scanners at each OMV work station in order to retain images of source documents; and 5) Digital exchange of photos between states, which will cost approximately \$25,000.

REAL ID Timeline:

December 31, 2009 – Each state must upgrade the security of their license systems to include the following:

- Check for lawful status of all applicants
- Ensure that illegal aliens cannot obtain REAL ID licenses

Compliance will be needed in order for access into federal facilities, boarding commercial aircrafts and entering nuclear power plants. The original deadline for this requirement was May 11, 2008. However, the LA Office of Motor Vehicles requested and was granted an extension by the U.S. Department of Homeland Security until December 31, 2009. According to the OMV, if LA cannot produce a REAL ID compliant card by October 2009, the OMV can request another extension to May 2011. By May 2011 the OMV must be issuing a REAL ID compliant card.

FY 2009 MAJOR BUDGET ISSUES

replacement of an outdated computer platform used for driver's licenses and titles. The project will consolidate the drivers license and motor vehicle registration computer systems into a more efficient system. The new system will allow for a reduction in customer wait times and the ability to accept various forms of payment. The new system is expected to come online in October 2008. Act 1 of the 2000 1st Special Legislative Session increased the OMV handling fee from \$5.50 to \$8 with the \$2.50 increase being deposited into the Act 1 created statutory dedication Office of Motor Vehicles Customer Service & Technology Fund for customer service programs of which the NGMV project being one of those programs (R.S. 32:412.1(C)).

The OMV is projected to spend approximately \$45M in total expenditures as start-up costs for this project. Below is the per fiscal year costs of NGMV implementation. FY 10 should be the last year of implementation costs, with subsequent fiscal years budgeting maintenance expenditures only, which will be approximately \$2 - \$3M each fiscal year upon implementation completion. Non-NGMV costs are other technology projects of the OMV.

Fiscal Year	Tech Fund Collections	NGMV Exp.	Non-NGMV Exp.	Total Exp.
FY 00	\$424,948	\$0	\$0	\$0
FY 01	\$5,721,070	\$496,977	\$0	\$496,977
FY 02	\$6,576,772	\$1,197,796	\$100,000	\$1,297,796
FY 03	\$6,216,206	\$3,093,135	\$3,141,623	\$6,234,758
FY 04	\$6,144,056	\$5,464,032	\$2,648,340	\$8,112,372
FY 05	\$6,228,210	\$5,213,313	\$2,313,328	\$7,526,641
FY 06	\$7,234,536	\$3,396,417	\$2,599,815	\$5,996,232
FY 07	<u>\$6,680,315</u>	<u>\$4,390,350</u>	<u>\$2,764,251</u>	<u>\$7,154,601</u>
TOTAL	\$45,226,113	\$23,252,020	\$13,567,357	\$36,819,377
FY 08*	\$6,714,354	\$12,000,000		
FY 09*	\$6,500,000	\$8,500,000		
FY 10*	<u>\$6,500,000</u>	<u>\$1,000,000</u>		
TOTAL**	\$64,940,467	\$44,752,020		

*FY 08, FY 09 & FY 10 are projections

**Total represents totals from FY 00 - FY 10

According to R.S. 32:429.2(B) monies collected and not expended remain within the fund and do not revert to the SGF. According to the FY 09 projections, assuming all currently budgeted expenditures in FY 08 are completely expended, the projected ending FY 09 fund balance will be \$2.9M.

Due to this system coming online in FY 09, the OMV will only need to budget annual maintenance expenditures from this statutory dedication for the NGMV. Other technology projects on the horizon that could utilize the OMV Technology Fund as a funding source include requirements of the Real ID Act and a new International Registration Plan System.

DEPT / AGY: Public Safety

Office of State Fire Marshal

ISSUE: LA State Fire Marshal Fund

Act 205 (HB 953) of the 2007 Regular Legislative Session includes language that indicates that any unexpended and unencumbered monies within the LA State Fire Marshal Fund at the close of FY 07 shall remain in the fund. Normally any unexpended monies within this fund revert to the SGF. The FY 07 ending fund balance within this fund is \$4,501,641. According to the latest adopted Revenue Estimating Conference (REC) revenue projection, this fund is estimated to collect \$13.4M in revenues in FY 08. Therefore, the LA State Fire Marshal Fund is projected to have approximately \$17.9M in available revenues for expenditure in FY 08, while current budgeted expenditures in FY 08 are \$9,844,881 (includes Act 511 reductions).

To the extent that no additional appropriations are made from the LA State Fire Marshal Fund in FY 08, all currently budgeted expenditures from this fund are completely expended in FY 08 and the REC adopted forecast is accurate, the FY 08 projected fund balance for this fund will be approximately \$8.1M. Unless changed via a supplemental appropriations bill, an appropriations bill or a funds bill, this projected \$8.1M fund balance will revert to the SGF at the end of FY 08.

Ending FY 07 Fund Balance	\$4,501,641
REC Projection FY 08 (5/09/08)	<u>\$13,400,000</u>
Revenue Available in FY 08	\$17,901,641

FY 2009 MAJOR BUDGET ISSUES

FY 08 Budget Authority	<u>\$9,844,881</u>
Projected FY 08 Fund Balance (Reverts)	<u>\$8,056,760</u>
REC Projection FY 09 (5/09/08)	\$14,600,000
Projected FY 08 Ending Fund Balance	<u>\$0</u>
Total FY 09 Revenue Available	\$14,600,000
FY 09 Act 19 (HB 1)	<u>\$9,087,120</u>
Projected FY 09 Fund Balance (Reverts)	\$5,512,880

The projected FY 08 fund balance will revert to the SGF unless otherwise changed via legislation. Thus, if the Office of State Fire Marshal has no FY 08 supplemental needs, the legislature could spend these excess LA State Fire Marshal Fund collections in FY 08 via a supplemental appropriations bill if these excess funds are transferred to another statutory dedication or transferred to the SGF for FY 08 expenditure or FY 09 expenditure. Act 513 (HB 926) of the 2008 Regular Legislative Session authorizes the State Treasurer to transfer \$4.5M from the LA State Fire Marshal into the Overcollections Fund. This transfer of funding will be utilized for the final debt service payment due for the construction of Winn, Allen and Avoyelles Correctional Centers. This transfer will only impact FY 08 and instead of the SGF receiving \$7.8M of reversion, the SGF will receive \$3.6M at the end of FY 08.

DEPT / AGY: Health & Hospitals Medical Vendor Payments

ISSUE: One Time Revenues

FY 09 Medicaid funding reflected in Act 19 (HB 1) includes approximately \$124.2M in non-recurring one time revenues used to support recurring expenditures.

\$20M - Medical Assistance Trust Fund (FY 08 excess funds) used as match in the Payments to Private Providers Program for general services.

\$17.2M - Corpus (principle) of the Medicaid Trust Fund for the Elderly (MTFE) used as match to collect federal matching funds to be used for re-basing nursing home rates.

\$17.7M - New Opportunities Waiver (NOW) Fund used as match in the Payments to Private Providers Program to fund 2,025 NOW slots. Approximately \$21M remains in the fund for FY 10. Continued state surpluses significant enough to generate approximately \$50M into the fund annually will be required to sustain these slots in future fiscal years.

These one time revenues are used as match in the Payments to Private Providers Program, and are used to draw down federal matching funds (approximately \$138.6 M) that would provide approximately \$193.6 M in total payments for FY 09.

In addition, approximately \$60M in Certified Public Expenditure (C.P.E.) funding is appropriated in FY 09. These funds represent 100% federal matching funds from the Centers for Medicare and Medicaid Services (CMS), and are used as match in both the Private Providers Program and the Uncompensated Care Costs Program in FY 09. On May 29, 2007, CMS issued a regulatory action that could limit future certifications for public providers. Congress has temporarily imposed a moratorium (through April 1, 2009) on implementing this rule, however, should the rule be republished by CMS and implemented, future funds used as match by the Medicaid Program could be limited.

DEPT / AGY: Health & Hospitals Medical Vendor Payments

ISSUE: UCC Hospital Pool

In FY 07, \$120M was appropriated in Uncompensated Care (UCC) in a Community Hospital Pool for costs payments to certain public and private community hospitals. UCC payments in this pool are paid to non-state and non-rural (small rural hospitals as defined in the Rural Preservation Act) hospitals that historically did not qualify under the Medicaid state plan. Act 19 (HB 1) of the 2008 Regular Legislative Session continues funding for the hospital pool for the third year in a row, and \$87M in total funding is appropriated. The match required includes \$23,036,000 in Statutory Dedications funding (Certified Public Expenditures from prior year) and \$1,924,300 in SGF.

Community Hospital Pool Funding History

<u>FY 07</u>	<u>FY 08</u>	<u>FY 09 (Act 19)</u>
\$120M	\$87M	\$87M

Language in Act 1 sets up the hospital qualification guidelines and for hospital payment amounts (based on qualifying uninsured costs).

DEPT / AGY: Health & Hospitals Medical Vendor Payments

ISSUE: Disproportionate Share Hospital (DSH) Payment CAP

The UCC Program in Medical Vendor Payments provides disproportionate share hospital payments (DSH) to qualifying hospitals for certain uncompensated care costs associated with serving uninsured and indigent patients. DSH funds consist of both state and federal matching funds. The federal government restricts the amount of DSH funds annually through the implementation of a federal DSH cap per state. Any additional UCC cost payments over the federal cap would require 100% SGF (the state loses the ability to leverage state dollars). The state and federal cap for LA for FY 09 is \$1,026,447,904, of which the federal funds cap portion is approximately \$731,960,000 (assumes a 71.31% UCC federal match rate).

In Act 19 (HB 1) the UCC Program is appropriated \$1,003,675,951 for various providers in FY 09. This appropriated level of DSH funding places the state \$16,238,680 from the federal DSH cap allowed for FY 09. Federal participation over the allotted federal DSH cap is not allowed by the CMS.

FY 09 DSH funds are allocated as follows:

\$476,290,826	HCSO
\$39,030,901	E. A. Conway
\$28,680,766	H. P. Long
\$139,820,750	Shreveport
\$1,026,000	Villa
\$99,991,717	OMH free standing psyc units
\$99,792,180	Private and Public Rural Hospitals and Clinics
\$7,000,000	All other DSH hospitals (non-rural)
\$87,000,000	Community Hospital Pool
<u>\$25,042,811</u>	Other hospitals (100 psych beds and mhere's enhancement statewide)
\$1,003,675,951	Total DSH funding for FY 09

DEPT / AGY: Natural Resources

ISSUE: Coastal Protection and Restoration Funding

It has been estimated that rebuilding LA's coast will cost \$14B over the next 30 years. The following is a comprehensive list of the various funding streams for coastal protection and restoration according to the Department of Natural Resources.

Oil and Gas Revenue

Traditional funding from oil and gas revenue in accordance with Article VII Section 10.2 which is deposited into the Coastal Protection and Restoration Fund. This is a dedication from severance taxes, royalty payments, bonus payments and rentals of state water bottoms. The current year official estimate of this is \$28.9M.

Coastal Wetlands Planning & Restoration Act (Breux Act)

This is a dedication of federal fuel highway user taxes collected in the state from consumers that do not use the highways (boats engines, off road vehicles, etc.). The dedication generates about \$65M per year, \$60M of which is used to construct coastal restoration/protection projects. It requires a 15% state match which comes from the Coastal Protection & Restoration Fund.

Coastal Impact Assistance Program (CIAP)

The 2005 Federal Energy Act authorized a federal program to assist states in offsetting the effect of offshore oil and gas production and is allocated according to offshore production. It has been authorized for 4 years for an estimated amount of \$135M per year (may vary a little as production calculations are done annually). The funding is split

between the state (65%) and parish (35%). The state will get approximately \$88M for the next 4 years.

Surplus Funding

During the 2007 Regular Legislative Session, \$200M of SGF surplus (non-recurring FY 06 surplus) was appropriated for coastal restoration and flood control. The \$200M was appropriated to DNR and DOTD for coastal restoration and flood control. A breakdown of this appropriation is as follows: \$52.7M for hurricane protection and evacuation, \$124.8M for coastal restoration, \$22M for science and technology and \$500,000 for emergency reserve.

Federal Offshore Revenue Sharing

In conjunction with the authorization to open up drilling in an additional 8.3M acres in the Gulf of Mexico, Congress authorized states to share in 37.5% of the royalty derived from the production when the production goes on-line. It is estimated that when the production goes on-line in 10 years (2017), LA will get approximately \$400 - \$600M a year.

Water Resources Development Act (WRDA)

A recently passed authorization for the Federal Water Resources Development Act included \$7B for LA. This however is only an authorization and must receive a separate appropriation which may or may not be \$7B. Generally, the WRDA requires a 35% state match which would require LA to pay \$2.4B.

DEPT / AGY: Environmental Quality

ISSUE: Waste Tire Management Fund collections lag processing claims

The Waste Tire Management Fund (Waste Tire Fund) has experienced a chronic deficit in fee collections necessary to meet the payments to waste tire processors. Over the last 3 full fiscal years, FY 05 through FY 07, the Waste Tire Fund has averaged slightly more than \$58,000 a month less in fee collections than processor payments due. Based on this historical deficit in fee collections and the balance not paid through March 31, 2008 (\$502,551), DEQ is estimating a FY 08 end of year deficit in this fund of approximately \$700,000 (rounded up). This represents a deficit of approximately 5.7% in the current year. It should be noted that Act 789 of 2003 which dedicated 5% of the fees collected for marketing products from waste tires will sunset June 30, 2008. As well, Act 821 of 2006 exempted scrap or salvage yards from paying the waste tire fee on tires salvaged from a Louisiana titled vehicle. This law provision also sunsets on June 30, 2008. Neither DEQ nor the LFO can accurately estimate the amount of fees currently foregone due to the exemption for tires in scrap or salvage yards. The expiration of these laws should assist in meeting the payments to waste tire processors. Act 513 (HB 926) of the 2008 Regular Legislative Session provides for the transfer from SGF for FY 08 receipts of \$700,000 for deposit into the Waste Tire Management Fund.

DEPT / AGY: Labor

ISSUE: Overhaul of LA Workforce Development and Training System

Act 743 (HB 1104) of the 2008 Regular Legislative Session created the LA Workforce Commission. This legislation seeks to overhaul and streamline the LA Department of Labor and the state's workforce development and training delivery system and draw from Texas for ideas on how to better structure LA's workforce development and training programs. Texas decentralized workforce training and development and gave local Workforce Investment Boards (WIBs) substantial control over the delivery of workforce and training services in their regions, including the hiring of private or nonprofit contractors to run their local employment offices.

Unemployment compensation and workers' compensation will be under the new commission's oversight per Act 743. The bill requires LA's 18 WIBs to establish workforce development and training programs and goals based on local employment markets. The WIBs will receive block grants from the state commission and have greater autonomy in designing, implementing, and evaluating their workforce development and training programs. Relevant training and support programs spread among the state departments of Corrections, Economic Development and Social Services will be consolidated under the new state work force commission per Act 743.

The Legislature appropriated \$4,642,096 SGF in FY 09 for the newly created LA Workforce Commission to

FY 2009 MAJOR BUDGET ISSUES

implement the legislative changes. Recurring costs in FY 10 (\$603,200) and after, fund expanded state and regional occupational forecasting (projected to increase 4% each year). The \$4,642,096 cost in FY 09 has the following components:

\$432,000 - Training/ education of Workforce Investment Board (WIB) members regarding system transformation, new roles & responsibilities, etc. (roughly 720 Board members X \$200 per session X 3 session each = \$432,000).

\$372,000 - Professional Services for 3rd party consulting services to develop and implement a comprehensive, statewide, regional, integrated service delivery system. This cost is based on 4 individuals working 90 days at \$125 per hour (4 consulting staff X 90 days X 8 hours/day X \$125 per hour = \$360,000) and \$12,000 for miscellaneous costs.

\$219,096 - To fund 3 short-term positions (only FY 09) for system integration strategy and implementation (3 staff X \$73,032 for one year = \$219,096).

\$733,500 - Signage (70+ locations statewide, headquarters building, cost for design, production and construction).

\$295,500 - Redesign and reprint of resource materials and operational supplies.

\$960,000 - Outreach and recruitment; marketing and communications for 8 regional business recruitment events (8 events X \$40,000 each = \$320,000) and \$640,000 in production/ air time costs for business and job seekers.

\$670,000 - Expanded State & Regional Occupational Forecasting (all recurring except \$90,000 in hardware/software below) including an economist (\$95,000 salary/benefits), a graduate student (\$30,000 salary/benefits), modification and expansion of Annual Job Vacancy Survey Statewide and Regional (\$150,000 annually), professional services to gather and create business intelligence reports, develop additional variable workforce forecasts (\$200,000 annually), Labor Supply Analysis (\$50,000 annually), hardware/software (\$90,000 one-time cost), cost to disseminate information including electronic and hard copy publications (\$40,000 annually), and one graduate student for graphic design and publication layout (\$15,000 annually).

\$960,000 - Funding to develop an integrated system providing a comprehensive platform for all workforce-training programs in the State. Costs include \$750,000 for 3 I.T. staff (\$195 per hour X 3,846 hours) and hardware/software upgrades for the existing case management system (\$210,000).

DEPT / AGY: Wildlife & Fisheries

ISSUE: Aquatic Plant Control Funding

<u>Funding Source</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>
Conservation Fund	\$1,100,000	\$4,600,000	\$4,400,000
Aquatic Plant Control Fund	800,000	1,133,000	**3,133,000
Federal	<u>798,000</u>	<u>798,000</u>	<u>798,000</u>
Total	\$2,698,000	\$6,531,000	\$8,331,000

<u>Performance Indicator</u>	<u>FY 07</u>	<u>FY 08</u>	<u>FY 09</u>
Acres Treated	31,260	51,260	*59,260

Budget authorization for the Aquatic Plant Control Fund in both the FY 08 and FY 09 budget from the boat trailer tax is \$1,133,000. The 4-year average for this revenue source is \$565,508 annually. These funds are collected by the Department of Public Safety for each registered boat trailer (\$3.25 per trailer) and deposited by the Treasury into this fund for treating water bodies for undesirable aquatic vegetation.

* With the addition of \$2M in FY 09, the department projects an additional 10,000 acres will be treated. With these adjustments, the performance standard was increased by 8,000 acres for FY 09.

** The additional \$2M placed into the Aquatic Plant Control Fund will enable the department to treat additional acres of aquatic vegetation and to develop research partnerships with state universities on alternative uses and treatment methods for nuisance aquatic plants.

DEPT / AGY: Wildlife & Fisheries

FY 2009 MAJOR BUDGET ISSUES

ISSUE: Conservation Fund

The Conservation Fund is a statutorily dedicated fund that supports the programs and operations of the Department of Wildlife & Fisheries. Despite the fact that there have been several infusions of revenue in recent years, revenues to the fund are projected to decrease in the next 2 fiscal years causing an estimated deficit of approximately \$4.4M in FY 10 and \$17.4M in FY 11. Additionally, recurring revenues to the Conservation Fund have increased at a lower rate than operational costs of the department.

DEPT / AGY: Higher Education

ISSUE: Critical Capital Outlay Needs - Deferred Maintenance

The Office of Facility Planning and Control (OFPC) has identified \$1.44B in deferred maintenance needs at all levels of higher education. In the Second Extraordinary Session of 2008, \$75 million was appropriated in Act 7 to address this problem. In Act 203 (supplemental capital outlay appropriation in HB 765) of the 2007 Regular Session, \$31M was provided to address some of this backlog. This allocation will fund some of the projects, but the backlog will continue to grow.

The OFPC breaks capital needs into 5 distinctions including Categories 1 thru 5 with Category 1 representing "critical" capital outlay repairs needed. Below is a list of the cost of maintenance needs by system that is broken down into 2 components - critical and total amounts. Both the OFPC and the Board of Regents have detailed lists of the actual projects by campus.

Deferred Maintenance	Critical	Total	% Critical
LSU System	\$107.8M	\$541.8M	20%
Southern System	\$18.5M	\$131.2M	14%
University of LA System	\$121.6M	\$612.3M	20%
LCTCS	\$16.7M	\$155.0M	11%
LUMCON	\$1.3M	\$5.0M	25%
Total	\$265.9M	\$1.44B	18.4%

The OFPC estimates that the agency can realistically expend no more than \$80M annually on these projects if the money is available because of the bidding and processing time required. This means fixing the estimated \$265.9M in critical repairs would take between 4 - 5 years to complete. Further, each year, more repairs in the Category 2 become Category 1 "critical" projects. Also, the rebuilding effort associated with hurricanes Katrina and Rita have increased the price to build and repair. This trend is expected to continue for at least the near future. If OFPC funded all the projects at once, prices would rise even more requiring more money to complete the maintenance. The "Katrina Effect" has already increased the costs of construction by an average of 160% compared with pre

storm costs.

Given the lack of funding and the magnitude of the problem, the OFPC recommends some buildings will have to be closed and operations consolidated to eliminate the backlog. The OFPC recommends closing buildings that have an FCI (Facility Condition Index) of 75% or greater - which means that repair will cost 75% of new construction for a similar building.

DEPT / AGY: Higher Education

ISSUE: Financial Aid for Higher Education

Presently, LA has 2 statewide financial aid programs - the Tuition Opportunity Program for Students (TOPS) and the GO Grant Program along with the LSU-BR Pelican Promise Program. A total of \$135M is currently budgeted for these programs - \$119M for TOPS, \$15M for GO Grants and approximately \$1M for the Pelican Promise Program.

The TOPS Program is a merit-based scholarship initiative that has seen its cost stabilize. Demographics, increasing award costs and rising tuition will contribute to modest increased costs in future years. This cost is not expected to change dramatically because of a declining number of students as a result of demographics and rising test scores which make more students eligible. So far, these 2 dynamics have roughly negated each other. Additionally, retention rates have improved which means TOPS award students have become better prepared to succeed in college since the program's inception.

Over time, award amounts are expected to increase because more students are earning stipend awards thereby keeping the program cost around \$117M annually. At some point in the future, tuition will rise even though present law requires legislative approval of all tuition increases. The Legislature has some control over the costs because it can either deny tuition increases or mandate that these increases be borne by the students rather than the TOPS Program. In the past, 3% tuition increases have been approved. For every 3% tuition increase, TOPS costs may be expected to rise by \$3.5M.

The GO Grant Program is a need-based financial aid program in its first year of implementation at a cost of \$15M providing varying levels of aid for over 20,000 students. The cost of this program is expected to grow to \$41M per year once it matures in 4 years - meaning that the first eligible class has graduated. This program was not legislated, rather, the Board of Regents created it by rule making authority.

Merit-based Aid

In the current year, TOPS funding has been reduced to \$119.1M for approximately 41,000 recipients of all award levels to more accurately reflect the most recent projections of the number of awards which will be earned and retained. This adjustment represents a decrease of approximately \$1.4M but still represents full funding of the program for the estimated number of awards.

The agency projects a 77% retention rate for 1st year students increasing to almost 90% for seniors in the program which have been steadily increasing which cause cost increases. In FY 08, FY 07 carryforward obligations, awards which are billed after 8/15/06 will have to be paid from the agency's operating budget. However, this amount is expected to be minimal because in FY 07, the Office of Student Financial Aid (OSFA) was able to pay all of the current year awards as well as all prior year billings.

Over the past 10 years the state has spent over \$1B on over 380,000 awards. Below is a chart illustrating the history of the program since its inception.

TOPS 10-Year Expenditure History

FY	# of Students	Amount
99	23,509	\$54,031,498
00	29,120	\$67,441,003
01	35,726	\$90,244,581
02	40,856	\$104,006,937
03	40,114	\$104,605,045
04	41,042	\$110,491,737
05	42,451	\$117,031,784
06	42,672	\$116,845,718
07	43,879	\$120,565,112
08	40,886	\$119,121,459 <i>Budgeted</i>

FY 2009 MAJOR BUDGET ISSUES

Total 380,255 \$1,004,384,874

Data provided by the Office of Student Financial Assistance

Need-based Aid

Presently, the State has 2 need-based higher education financial aid programs which complement the merit-based TOPS Program. While TOPS focuses on tuition and book aid, it does not provide funds for living expenses and is not need-based. Since the Tuition Assistance Program (TAP), a need-based program which was canceled before 1998, the State has not offered a full-fledged financial aid program for impoverished students. Consequently, higher education management boards have been attempting to address this problem.

To address the problem on a statewide basis, the legislature appropriated \$15M to the OSFA to fund need-based financial aid in addition to campus specific programs that are funded by higher education management boards. This program is called the LA "GO Grant" and is the state's latest need-based financial assistance program for low and moderate-income students designed to improve college access for targeted populations and to reduce student loan debt. As of the end of December 2007, over 20,756 students (7,028 full-time, 894 half-time and 12,834 part-time) were awarded grants totaling \$7.3M.

For FY 09, the Board of Regents is projecting the cost of this program to rise to \$24M as more students become eligible. The cost of the program will continue to grow, less normal attrition from students quitting or failing to make required academic progress, for the next 4 years before reaching an annual cost of \$41M. This cost projection assumes that poverty rates, high school graduation and college success rates as well as award amounts remain constant.

To be eligible for a "Go Grant" a person must be a LA resident, admitted and enrolled as a certificate or degree-seeking undergraduate at a LA public/private college or university and must either be a first-time freshman or aged 25 or older and not enrolled in a college or university in credit bearing courses for the last 3 years. The program is modeled after the Federal Pell Grant Program and would grant full-time students \$2,000 per year and part-time students \$1,000 per year respectively. Eligibility determination is based on information reported in the Free Application for Federal Student Aid (FASFA) and takes into account Pell grant award amounts. The "Go Grant" may be awarded to students who also qualify for a TOPS award.

The LSU Board of Supervisors Pelican Promise Program offers students from families who earn 50% above the poverty rate (approximately \$26,000 per year for a family of 3) \$3,000 per year to attend the LSU-BR campus. The LSU Board envisions the Pelican Promise Program complimenting the existing merit-based program (TOPS) which primarily funds tuition and the Pell Grant Program available to certain needy students through the federal government. The program is anticipated cost is \$1M for FY 08 to serve over 300 students, and is funded through monies provided for "Flagship Initiatives" and from regular operating monies.

DEPT / AGY: LSU Health Care Services Division LSUHSC-HCSD Central Administration

ISSUE: Facilities

Proposed Baton Rouge Clinic

The HCSD is constructing a new outpatient clinic in Baton Rouge, scheduled to open the summer of 2009. Ground breaking for the new clinic began 1/2/08. It is expected that construction on this facility will be completed in 14 months. LSU intends to occupy the old K-Mart site at 5445 Airline Highway, and utilize the facility to serve as outpatient operations for the Earl K. Long Medical Center (EKLMC), along with an existing site on North Foster, the Mid City Clinic. LSU HCSD received \$1.2M in funding for site acquisition (\$700,000) and design fees (\$500,000) in Act 2 of the 2004 Regular Legislative Session. HB 2 of the 2008 Regular Legislative Session has \$13.8M in Priority 1 for the remaining construction of the clinic (build out). The facility will encompass 42,000 sq. ft. on 2 floors and serve as an umbrella facility for outpatient services now provided at EKL such as OB/GYN, primary care medicine, and hematology/oncology services. In addition, the facility will feature: patient exam rooms; infusion care area; diagnostics laboratory; pharmacy; diagnostic radiology services; and a community meeting room. The HCSD indicates that the clinic is expected to open in the FY 10 and will determine operating cost prior to submission of the budget request for FY 10.

EKL (replacement facility in Baton Rouge)

LSU has previously received approximately \$15M for the purchase of land, and another \$9M to begin planning and design activities. HB 2 of the 2008 Regular Legislative Session has \$324,225,000 allocated for the University Medical Center in Baton Rouge, of which \$9M is in Priority 1 and \$315,225,000 is payable from revenue bonds. LSU is currently conducting a search for land in the South Baton Rouge Medical Corridor on which to locate the new facility.

U.S. Department of Veterans Affairs (VA) and MCLNO collaboration (replacement facility in New Orleans)

The LSU HSC HCSD has signed a memorandum of understanding with the VA to develop a new shared teaching and research hospital concept in Orleans Parish that would replace the respective hospitals that were damaged by Hurricane Katrina. Architects have been selected by the Office of Facility Planning & Control (FP&C). The RFP for a construction management firm to be hired by the FP&C is pending review of the business plan by DHH and the Division of Administration and final determination of the site.

The VA has completed their initial environmental review of the downtown site, but still has not definitively announced that they will build on the proposed site in downtown New Orleans. The Collaborative Opportunities Planning Group (COPG) report analyzing some potential opportunities for services to be provided by one hospital and sold to the other has not been accepted by the VA and remains embargoed by the VA. Therefore, no final decisions have been made on the operational and financial model, although significant progress has been made on identifying opportunities for efficiency through collaboration. The COPG plan recommends building separate hospitals on adjacent parcels of land in downtown New Orleans. The City of New Orleans proposed acquiring the land for the VA should that be the chosen location.

DEPT / AGY: Ancillary

ISSUE: Office of Group Benefits (OGB) - Governmental Accounting Standards Board(GASB) Statement 45

The GASB Statement 45 is an accounting and financial reporting provision requiring government employers to report the liabilities associated with other post-employment benefits (OPEB). The OPEB includes post-retirement medical, dental, vision, life, long-term disability and long-term care benefits that are not necessarily associated with a pension plan. GASB 45, which was established by the Governmental Accounting Standards Board in July 2004 and seeks to recognize the cost of the OPEB benefits in the accounting period when services are received and requires public bodies to report their costs/obligations for the health benefits of current and future retired employees much like pension plan obligations are currently reported (Unfunded Accrued Liability - UAL). Currently, Mercer (contracted actuary for the OGB) calculates LA's OPEB liability as a result of GASB 45 as being approximately \$12.9B over 30 years (projected as of 6/30/08). This is not necessarily an OGB issue, but a State issue as this liability is reported on the State's CAFR, which impacts the State's bond rating. The Net OPEB obligation is the accounting liability created when an employer does not fully fund its annual required contribution for OPEB. A governmental entity's Net OPEB will increase from year-to-year. LA's OPEB financing policy is "pay-as-you-go," which will most likely be much smaller than the annual OPEB cost. Before GASB 45 was implemented, governments followed a "pay-as-you-go" accounting approach in which cost of health benefits are not reported until after the employees retire.

NOTE: Act 910 (SB 601) of the 2008 Regular Legislative Session creates the Post Employment Benefits Trust Fund as an irrevocable trust fund in the state treasury to fund the state's unfunded accrued liability for health and other post-employment benefits for employees retired from agencies, departments, boards and commissions of the state and the dependents of such retired employees who are eligible to participate in programs offered by the OGB. Act 910 identifies the sources of funding for the fund to include appropriations, contributions by employees and retirees, employer contributions, investment and other income. Act 910 establishes a Board of Trustees within the Division of Administration comprised of the commissioner of administration, the director of OGB, the treasurer, a member of the House Appropriations Committee appointed by the House Speaker, and a member of the Senate Finance Committee appointed by the Senate President. Act 910 provides for the powers, duties, and functions of the board, including the authority to request reports and authorize disbursements to pay the employer portion of the costs to provide post-employment benefits to or for eligible retired employees and their dependents, acquire investments, and pay administrative costs. Act 910 authorizes the treasurer to invest monies in the fund which are available for investment in accordance with the provisions of R.S. 49:327 and to the extent authorized by the constitution of Louisiana by R.S. 39:98.2 (Millennium Trust Fund). The bill requires the treasurer to prepare and submit a report on the performance of the trust fund to the board on or before December 1 of each year.

Louisiana Legislative Fiscal Office

Section V

TABLES

Fiscal Year 2008-2009

**Breakdown of the Temporary Assistance for Needy Families (TANF)
Funding for FY 09**

Literacy

Private Pre-K Program	\$6,800,000
After-school Education	\$7,600,000
Truancy Assessment	\$744,470
General Education Development (GED) Test	\$400,000
Jobs for America's Graduates (JAGS)	\$1,400,000

Total \$16,944,470

Employment

Micro Enterprise Development	\$600,000
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Total \$600,000

Family Stability

CASA Program	\$3,670,000
Drug Court	\$5,000,000
Domestic Violence	\$1,200,000
Community Response Initiatives	\$1,200,000
Abortion Alternative Services	\$1,000,000
Low-Income Father Parenting Initiatives	\$1,200,000
LA Nurse Family Partnership	\$2,700,000

Total \$15,970,000

Other

Individual Development Accounts (IDA)	\$1,000,000
Earned Income Tax Credit (EITC)	\$1,200,000
Child Protection Investigation Services	\$16,000,000
Freedom Schools	\$3,300,000
Homeless Families	\$800,000
Early Headstart	\$2,443,306
Teen Pregnancy Prevention	\$4,400,000
Solution to Poverty	\$400,000
Substance Abuse	\$4,166,666

Total \$33,709,972

Grand Total **\$67,224,442**

Louisiana Education Quality Trust Fund - 8(g) 1986-87 to 2007-08

Beginning 1986-87 Fund Balance - \$540,699,504 with Annual Interest and Royalty Deposits

Permanent Fund:	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
<i>Cash Value</i>	\$599,885,115	\$619,328,374	\$643,120,282	\$668,019,726	\$694,429,303	\$689,578,656	\$707,258,020	\$728,166,189	\$762,108,629
Investment Income	\$14,154,819	\$16,062,475	\$16,837,803	\$16,738,336	\$14,135,788	\$13,186,900	\$14,303,306	\$27,795,972	\$33,409,785
Royalties Income	\$5,288,440	\$7,729,433	\$8,061,641	\$9,671,241	(\$18,986,435)	\$4,492,464	\$6,604,864	\$6,146,468	\$4,207,622
Total	\$619,328,374	\$643,120,282	\$668,019,726	\$694,429,303	\$689,578,656	\$707,258,020	\$728,166,190	\$762,108,629	\$799,726,036
Permanent Fund:									
<i>Market Value</i>	\$641,564,256	\$694,049,097	\$733,707,182	\$680,917,755	\$704,490,462	\$713,702,637	\$760,195,407	\$817,056,699	\$817,998,820
Support Fund:									
Investment Income	\$42,464,458	\$48,187,425	\$50,513,410	\$50,215,008	\$38,689,042	\$38,077,244	\$39,941,397	\$40,406,672	\$43,836,613
Royalties Income	\$8,305,319	\$5,548,300	\$6,544,923	\$11,373,722	\$33,760,696	\$13,477,394	\$19,814,592	\$18,439,406	\$12,622,864
Total	\$50,769,777	\$53,735,725	\$57,058,333	\$61,588,730	\$72,449,738	\$51,554,638	\$59,755,989	\$58,846,078	\$56,459,477

A History of the Support Fund and Permanent Fund in Millions of Dollars

	1990-91	1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99
Support Fund	\$50.8	\$53.7	\$57.1	\$61.6	\$72.4	\$51.6	\$59.8	\$58.8	\$56.5
Permanent Fund	\$619.3	\$643.1	\$668.	\$694.4	\$689.6	\$707.3	\$728.2	\$762.1	\$0.0

Permanent Fund:	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Cumulative Growth Permanent Fund <u>\$114,646,831</u> <u>\$429,387,199</u>
<i>Cash Value</i>	\$799,726,036	\$822,498,152	\$841,538,930	\$852,195,675	\$868,402,048	\$891,805,723	\$916,081,258	\$936,295,533	\$956,625,141	
Investment Income	\$18,104,819	\$10,001,192	\$5,723,829	\$11,519,457	\$14,372,777	\$15,307,935	\$12,877,985	\$15,222,398	\$13,110,162	
Royalties Income	\$4,667,297	\$9,039,586	\$4,932,916	\$4,686,916	\$9,030,898	\$8,967,600	\$7,336,290	\$6,896,526	\$8,255,026	
Total	\$822,498,152	\$841,538,930	\$852,195,675	\$868,402,048	\$891,805,723	\$916,081,258	\$936,295,533	\$958,414,457	\$977,990,329	

Permanent Fund:	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	Cumulative Growth Support Fund <u>\$350,893,237</u> <u>\$1,202,116,659</u>
<i>Market Value</i>	\$823,520,329	\$831,338,021	\$812,737,083	\$877,000,364	\$925,090,380	\$974,092,325	\$958,642,904	\$1,021,316,556	\$968,122,567	
Support Fund:										
Investment Income	\$40,992,264	\$39,192,784	\$36,463,986	\$37,779,199	\$37,606,959	\$41,587,080	\$42,233,206	\$44,460,712	\$42,952,072	
Royalties Income	\$14,001,891	\$27,118,761	\$14,798,746	\$14,060,747	\$27,092,693	\$26,902,801	\$21,401,616	\$20,689,576	\$24,765,079	
Total	\$54,994,155	\$66,311,545	\$51,262,732	\$51,839,946	\$64,699,652	\$68,489,881	\$63,634,822	\$65,150,288	\$67,717,151	

A History of the Support Fund and Permanent Fund in Millions of Dollars

	1999-2000	2000-2001	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Support Fund	\$55.0	\$66.3	\$51.3	\$51.8	\$64.7	\$68.5	\$63.6	\$65.2	\$67.7
Permanent Fund	\$822.5	\$841.5	\$852.2	\$868.4	\$891.8	\$916.1	\$936.3	\$958.4	\$978.

Constitutional Uses of Support Fund Dollars:

Board of Regents: 1) The carefully defined research efforts of public and private universities in Louisiana. 2) The endowment of chairs for eminent scholars. 3) The enhancement of the quality of academic, research or agricultural departments or units within a university. These funds shall not be used for athletic purposes or programs. 4) The recruitment of superior graduate students.

Board of Elementary and Secondary Education: 1) To provide compensation to city or parish school board or postsecondary vocational-technical professional instructional employees. 2) To insure an adequate supply of superior textbooks, library books, equipment and other instructional materials. 3) To fund exemplary programs in elementary, secondary or vocational-technical schools designed to improve elementary, secondary or vocational-technical student academic achievement or vocational-technical skill. 4) To fund carefully defined research efforts, including pilot programs, designed to improve elementary and secondary student achievement. 5) To fund school remediation programs and preschool programs. 6) To fund the teaching of foreign languages in elementary and secondary schools. 7) To fund an adequate supply of teachers by providing scholarships or stipends to prospective teachers in academic or vocational-technical areas where there is a critical teacher shortage.

Notes: The cumulative growth figures for both the Permanent and Support Fund include balances from 1987-88, 1988-89, and 1989-90 (history for these years is not shown above). The Cash Value for 1988-89 through 2006-07 equal the Permanent Fund balance at 6/30 of the prior fiscal year. The Cash Value for 2007-08 equals the Permanent Fund balance at 6/30/07 per ISIS.

Tuition Opportunity Program for Students (TOPS) Historical and Projected Number of Awards and Costs for Awards

Actual as of 7/31/08

TOPS Component	1998-99 Actual (b)		1999-00 Actual		2000-01 Actual		2001-02 Actual		2002-03 Actual		2003-04 Actual		2004-05 Actual		2005-06 Actual	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Honors	1,808	5,590,677	3,129	9,786,569	4,431	14,700,386	5,455	18,360,338	5,544	18,932,823	5,657	19,827,867	5,928	21,304,032	6,043	21,713,398
Performance	5,109	13,484,993	5,846	15,338,676	6,774	19,062,609	7,154	20,050,322	6,934	20,352,571	7,211	22,162,359	8,012	24,645,969	8,288	25,494,517
Opportunity	16,527	34,930,477	20,053	42,276,483	24,417	56,427,011	28,015	65,458,536	27,258	65,044,667	27,803	68,195,125	28,023	70,674,367	27,547	69,160,596
Tech	23	12,703	53	27,576	61	41,676	167	116,367	313	255,957	329	295,143	445	392,284	577	471,444
Nat'l Guard	42	12,650	39	11,700	43	12,900	66	19,700	65	19,600	45	13,600	41	12,400	39	11,650
TOTAL	23,509	54,031,499	29,120	67,441,004	35,726	90,244,581	40,856	104,005,263	40,114	104,605,617	41,044	110,494,094	42,449	117,029,052	42,493	116,851,605

Average Annual TOPS Award	\$2,298	\$2,316	\$2,526	\$2,546	\$2,608	\$2,692	\$2,757	\$2,750
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Projected as of 3/21/08

TOPS Component	2006-07 Actual		2007-08 Actual		2008-09 Projected		2009-10 Projected		2010-11 Projected		2011-12 Projected		2012-13 Projected		2013-14 Projected	
	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$	#	\$
Honors	6,203	22,640,506	6,196	22,652,602	6,390	24,067,755	6,501	25,451,477	6,540	25,819,940	6,524	26,779,517	6,427	27,446,273	6,332	28,140,670
Performance	8,679	26,927,764	7,836	24,415,813	7,927	25,492,224	7,651	25,680,485	7,270	24,538,146	7,222	25,451,117	7,118	26,197,259	7,008	26,940,685
Opportunity	27,928	70,264,170	27,234	68,608,278	28,024	73,504,895	28,262	77,836,893	28,583	79,134,086	28,462	82,738,832	27,924	85,232,805	27,491	88,109,189
Tech	729	705,913	717	713,565	823	825,025	829	831,061	829	916,759	824	956,914	812	989,415	795	494,968
Nat'l Guard	49	14,800	40	11,950	39	11,697	37	11,008	34	10,148	32	9,720	34	10,092	33	9,915
TOTAL	43,588	120,553,153	42,023	116,402,208	43,203	123,901,596	43,280	129,810,924	43,256	130,419,079	43,064	135,936,100	42,315	139,875,844	41,659	143,695,427

Average Annual TOPS Award	\$2,766	\$2,770	\$2,868	\$2,999	\$3,015	\$3,157	\$3,306	\$3,449
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Figures provided by the Office of Student Financial Assistance

The projected figures for 2008-2009 and beyond include a 5% tuition increase.

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

LOTTERY
(\$ in millions)

Calendar Year of Sales Fiscal Year Available	1998 1999	1999 2000	2000 2001	2001 2002	2002 2003	2003 2004	2004 2005	2005 2006	2006 2007	Projected 2007 2008
Sales Outlets at Calendar Year End	3,061	2,971	3,008	2,976	2,950	2,842	2,820	2,486	2,562	2,603
Total Game Sales & Other Earnings	\$312.3	\$272.1	\$290.2	\$314.2	\$309.6	\$331.2	\$320.1	\$297.4	\$361.9	\$358.9
Operating Expenses of Corp. (not appropriated)	\$27.2	\$25.3	\$27.6	\$29.2	\$29.3	\$31.0	\$29.6	\$27.0	\$30.5	\$30.4
Retailer Commission Expense (not appropriated)	\$17.2	\$15.0	\$15.9	\$17.5	\$16.8	\$18.0	\$17.5	\$16.7	\$19.9	\$20.0
Effective Tax Rate (share of net revenue after prize expense)	72.3%	70.5%	70.3%	71.1%	70.0%	70.4%	70.9%	71.1%	71.8%	73.2%
Share Of Gross Revenue Transferred To The State	36.4%	35.4%	35.3%	35.9%	35.3%	35.3%	35.6%	35.8%	35.7%	35.9%
Total Annual Transfers To The State	\$113.6	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$128.9
Change In Prior Year Proceeds Available	\$0.0	\$0.0	\$6.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Compulsive and Problem Gaming Program	\$0.0	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
For Support Of Minimum Foundation Program *	\$113.6	\$95.7	\$95.5	\$112.5	\$108.9	\$116.4	\$113.5	\$105.9	\$128.9	\$128.4
Total Allocations Of Available Transfers	\$113.6	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$128.9

(*) As originally adopted, lottery receipts were deposited to a special fund (the Lottery Proceeds Fund established by the State Constitution) that had no specific uses enumerated. For FY 91-92 and FY 92-93 lottery receipts were appropriated to support the operations of numerous state agencies, local allocations, and the state general fund. For the 1993-94 fiscal year, most lottery receipts (\$140 million) were appropriated to the Minimum Foundation Program (MFP, K-12 education funding) and a like amount of state general fund support was removed from the MFP. Lottery receipts have been appropriated to the MFP ever since. Act 1305 of the 2003 session amended the State Constitution to formally dedicate lottery receipts to the MFP beginning with FY 04-05 (including a maximum of \$500,000 to compulsive and problem gaming services).

VIDEO DRAW POKER
(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Locations/Devices at Fiscal Year End	3,644/15,504	2,819/12,937	2,815/13,175	2,869/13,720	2,862/14,551	2,775/14,273	2,751/14,297	2,276/13,571	2,340/13,951	2,340/13,951
Total Device Net Revenue	\$670.3	\$476.6	\$503.1	\$536.6	\$560.5	\$566.0	\$583.8	\$681.6	\$684.7	\$639.9
Effective Tax Rate	28.1%	28.4%	28.8%	29.1%	29.3%	29.3%	29.5%	29.8%	29.8%	29.8%
Gaming Remittances	\$188.6	\$135.2	\$144.7	\$156.1	\$164.2	\$166.0	\$172.2	\$203.1	\$203.9	\$190.5
Device & Other Fees	\$10.4	\$9.7	\$10.1	\$8.5	\$10.8	\$11.1	\$11.6	\$11.0	\$10.5	\$10.5
Total Available To The State	\$199.0	\$144.9	\$154.9	\$164.6	\$174.9	\$177.1	\$183.8	\$214.1	\$214.3	\$201.0
Gaming Enforcement Activities	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$4.4	\$8.0	\$5.6	\$8.4	\$9.7
Local Gov. & Sheriffs (Munis 40%, Parishes 30%, Sheriffs 30%)	\$43.4	\$30.1	\$32.3	\$34.9	\$37.5	\$38.0	\$39.7	\$45.0	\$47.2	\$44.9
District Attorney Support	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4	\$5.4
Horse Racing Purse Supplements	\$3.4	\$2.4	\$2.6	\$2.7	\$2.8	\$2.8	\$2.9	\$3.4	\$3.4	\$3.2
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
State General Fund Share	\$142.1	\$102.2	\$109.9	\$116.8	\$124.5	\$126.1	\$127.4	\$154.3	\$149.5	\$137.5
Total Allocations Of Available Revenue	\$199.0	\$144.9	\$154.9	\$164.6	\$175.0	\$177.1	\$183.8	\$214.1	\$214.4	\$201.0

RIVERBOAT GAMING
(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Boats/Tables/Devices at Fiscal Year End	13/603/13,188	13/540/13,401	14/592/14,614	14/562/15,330	14/543/15,325	14/667/17,300	15/610/16,592	12/518/13,207	13/512/15,230	13/512/15,230
Total Gross Gaming Revenue	\$1,381.5	\$1,426.3	\$1,545.9	\$1,635.3	\$1,592.9	\$1,566.7	\$1,567.2	\$1,838.1	\$1,780.6	\$1,625.9
Effective Tax Rate	18.5%	18.5%	19.0%	20.5%	21.0%	21.4%	21.4%	21.5%	21.5%	21.5%
Gaming Remittances	\$255.6	\$263.9	\$293.4	\$335.8	\$335.1	\$335.4	\$334.7	\$395.2	\$382.8	\$349.6
Other Fee Revenue	\$4.7	\$5.8	\$3.6	\$5.2	\$4.3	\$6.8	\$4.2	\$7.9	\$6.4	\$6.4
Total Available To The State	\$260.2	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$356.0
Gaming Enforcement Activities	\$15.2	\$15.8	\$13.6	\$16.7	\$16.4	\$19.0	\$17.2	\$18.1	\$17.5	\$20.0
Non-Gaming Operations in State Police	\$35.5	\$45.2	\$41.5	\$40.3	\$35.4	\$34.9	\$35.7	\$41.9	\$49.5	\$38.3
Compulsive and Problem Gaming Program	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Change In Prior Year Proceeds Available	\$1.8	(\$5.8)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
SELF Fund (Teacher Payraise)	\$0.0	\$0.0	\$14.0	\$59.4	\$65.5	\$70.7	\$70.3	\$85.4	\$83.1	\$76.0
State General Fund Share	\$207.2	\$213.9	\$227.4	\$224.2	\$221.5	\$217.0	\$215.3	\$257.1	\$238.7	\$221.3
Total Allocations Of Available Revenue	\$260.2	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$356.0

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

N. O. LAND-BASED CASINO

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Tables/Devices at Fiscal Year End	not operating	115/2,900	103/2,618	101/2,397	100/2,264	120/2,035	134/2,023	117/2,112	129/2,077	129/2,077
Total Gross Gaming Revenue	\$0.0	\$163.0	\$256.3	\$262.4	\$277.3	\$300.2	\$339.2	\$198.3	\$389.3	\$404.7
New Orleans Support Contract {from Casino receipts}	\$0.0	\$6.0	\$5.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Effective Tax Rate	0.0%	41.8%	34.1%	21.9%	21.6%	20.0%	20.5%	30.3%	21.5%	21.5%
Gaming Remittances and Other Transfers	\$3.5	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.7	\$87.0
Total Annual Transfers To The State	\$3.5	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.7	\$87.0
Gaming Enforcement Activities	\$3.5	\$1.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Compulsive and Problem Gaming Program	\$0.0	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Non-Recurring Revenue (Debt, UAL, Cap. Out., Budget Stab. Fd.)	\$0.0	\$60.5	\$70.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
SELF Fund (Teacher Payraise)	\$0.0	\$0.0	\$11.7	\$57.1	\$59.4	\$59.5	\$69.1	\$59.5	\$83.2	\$86.5
Total Allocations Of Available Transfers	\$3.5	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.7	\$87.0

PARI-MUTUEL GAMING

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Tracks/OTBs/Racing Days at Fiscal Year End	4/13/343	4/13/342	4/13/342	4/13/388	4/14/383	4/13/433	4/13/489	4/12/401	4/14/483	4/14/474
Pari-Mutuel Handle	\$397.6	\$398.6	\$382.6	\$388.5	\$365.0	\$364.4	\$341.8	\$314.2	\$357.5	\$362.5
Effective Tax Rate To Racing Comm.	1.51%	1.55%	1.54%	1.56%	1.62%	1.68%	1.78%	1.75%	1.79%	1.95%
Taxes On Handle To Racing Comm.	\$5.1	\$5.1	\$5.0	\$4.9	\$4.6	\$4.6	\$4.3	\$4.1	\$4.6	\$5.2
Other Fees To Racing Comm.	\$0.9	\$1.0	\$0.9	\$1.2	\$1.3	\$1.5	\$1.7	\$1.4	\$1.8	\$1.9
Total Revenue To Racing Comm.	\$6.0	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$7.1
Gaming Enforcement Activities: Racing Commission	\$2.8	\$3.0	\$3.1	\$3.0	\$3.3	\$3.5	\$4.1	\$3.7	\$4.2	\$4.8
Breeder Awards	\$2.4	\$2.4	\$2.3	\$2.3	\$2.2	\$2.2	\$2.1	\$2.1	\$2.3	\$2.3
Excess To State General Fund or Retained by Racing Comm.	\$0.8	\$0.8	\$0.5	\$0.7	\$0.5	\$0.4	(\$0.1)	(\$0.3)	\$0.0	\$0.0
Total Allocations Of Racing Comm. Revenue	\$6.0	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$7.1

CHARITABLE GAMING

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Bingo/Other Sessions During Fiscal Year	30,181/1,351	30,278/789	29,141/512	28,341/344	27,683/322	29,022/363	27,868/72	22,840/0	27,158/0	27,500/0
Gross Gaming Revenue	\$54.9	\$49.4	\$47.0	\$47.2	\$46.8	\$46.8	\$47.2	\$52.2	\$54.3	\$55.0
Operator Expenses (not appropriated)	\$27.6	\$28.5	\$26.2	\$26.6	\$26.5	\$28.3	\$28.1	\$26.4	\$29.9	\$30.3
Available To Charities (not appropriated)	\$27.3	\$21.0	\$20.8	\$20.6	\$20.2	\$18.5	\$19.1	\$25.8	\$24.4	\$24.7
Effective Total Fee Rate	2.0%	2.1%	2.0%	2.1%	2.2%	2.4%	2.7%	2.6%	3.1%	3.1%
Various Fees Paid To Support Regulation	\$1.1	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$1.7
Total Various Fees Paid To Support Regulation	\$1.1	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$1.7
Enforcement Activities	\$1.1	\$0.9	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$1.7
Non-Gaming Operations	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State General Fund Share	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Allocations Of Available Revenue	\$1.1	\$0.9	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$1.7

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

RACETRACK SLOT MACHINE GAMING

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Tracks/Devices at Fiscal Year End				1/1,492	2/2,368	3/4,447	3/4,489	3/4,487	3/4,444	4/5,144
Gross Gaming Revenue				\$54.4	\$134.4	\$232.7	\$315.0	\$349.5	\$365.9	\$356.0
Allocation to Horse Breeder Assns. (not appropriated)				\$9.8	\$24.2	\$41.9	\$56.7	\$62.9	\$65.9	\$64.1
Effective Tax Rate To State (share of gross revenue after horse breeder allocations)				15.17%	15.17%	15.17%	15.17%	15.17%	15.17%	15.17%
Total Available To The State				\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$54.0
Gaming Enforcement Activities				\$0.450	\$0.616	\$1.3	\$1.9	\$1.7	\$1.9	\$2.0
Non-Gaming Operations in State Police				\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.1	\$0.5
Compulsive and Problem Gaming Program				\$0.0	\$0.0	\$0.0	\$0.0	\$0.5	\$0.5	\$0.5
Parish Funds				\$0.376	\$1.0	\$1.8	\$2.4	\$2.7	\$2.8	\$2.7
LA Agricultural Finance Authority (Boll Weevil Eradication and other programs)				\$7.4	\$12.0	\$12.0	\$12.0	\$12.0	\$12.0	\$12.0
Blind Services				\$0.0	\$1.0	\$1.5	\$1.5	\$1.5	\$1.5	\$2.0
Southern Univ., Equine Health, N.O. Dist. Att., N.O. City Park				\$0.0	\$0.0	\$2.2	\$1.8	\$1.8	\$1.8	\$1.8
State General Fund Share				\$0.0	\$5.8	\$16.5	\$28.2	\$32.9	\$34.9	\$32.5
Total Allocations of Available Revenue				\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$54.0

INDIAN GAMING

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Casinos/Tables/Devices Estimated at Fiscal Year End	3/200/5,500	3/200/6,500	3/200/6,500	3/200/6,500	3/200/6,500	3/189/6,448	3/184/6,056	3/195/6,301	3/204/6,131	3/204/6,131
Indian Gross Gaming Revenue (*)	\$347.7	\$433.8	\$456.6	\$438.8	\$434.2	\$440.4	\$386.4	\$398.9	\$485.0	\$437.8
Enforcement (Tribes Reimburse and General Enforcement)	\$1.0	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.8

(*) Various methodologies have been employed over time to estimate Indian gaming activity in the state, including extrapolations from non-Indian gaming gross gaming revenue per square foot of gaming space, the annual growth in state riverboat gaming as a whole and its regional markets, and shares of riverboat gaming activity based on industry trade and press assessments. Since the Indian casinos do not report their activity, the estimates above should be viewed with considerable caution.

TOTAL STATE GAMING RECEIPTS SUMMARY

(\$ in millions)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Lottery	\$113.6	\$96.2	\$102.6	\$113.0	\$109.4	\$116.9	\$114.0	\$106.4	\$129.4	\$128.9
Video Draw Poker	\$199.0	\$144.9	\$154.9	\$164.6	\$174.9	\$177.1	\$183.8	\$214.1	\$214.3	\$201.0
Riverboat Gaming	\$260.2	\$269.7	\$297.0	\$341.1	\$339.4	\$342.2	\$339.0	\$403.1	\$389.3	\$356.0
N. O. Land-Based Casino	\$3.5	\$62.2	\$82.3	\$57.6	\$59.9	\$60.0	\$69.6	\$60.0	\$83.7	\$87.0
Pari-Mutuel Racing	\$6.0	\$6.2	\$5.9	\$6.1	\$5.9	\$6.1	\$6.1	\$5.5	\$6.4	\$7.1
Charitable Gaming	\$1.1	\$1.0	\$0.9	\$1.0	\$1.1	\$1.1	\$1.3	\$1.4	\$1.7	\$1.7
Slot Machines At Racetracks	\$0.0	\$0.0	\$0.0	\$8.2	\$20.4	\$35.3	\$47.8	\$53.0	\$55.5	\$54.0
Indian Gaming	\$1.0	\$1.2	\$1.4	\$1.2	\$1.4	\$1.5	\$1.4	\$1.2	\$1.5	\$1.8
Total Available To The State	\$584.5	\$581.4	\$645.0	\$692.7	\$712.4	\$740.2	\$762.8	\$844.7	\$881.7	\$837.5
annual growth	7.4%	-0.5%	10.9%	7.4%	2.9%	3.9%	3.1%	10.7%	4.4%	-5.0%
Total Used By State Gov. For Enforcement and Treatment	\$29.0	\$28.5	\$25.4	\$28.7	\$29.2	\$32.8	\$35.7	\$34.2	\$37.7	\$42.4
Share of Total Allocated to Enforcement and Treatment	5.0%	4.9%	3.9%	4.1%	4.1%	4.4%	4.7%	4.1%	4.3%	5.1%
Total Used By State Gov. For All Other Purposes	\$555.4	\$552.8	\$619.6	\$664.0	\$683.2	\$707.4	\$727.1	\$810.5	\$844.1	\$795.1
Share of Total Allocated to All Other Purposes	95.0%	95.1%	96.1%	95.9%	95.9%	95.6%	95.3%	96.0%	95.7%	94.9%
Rev. Est. Conf. Total {Lott, Casino, Rvbt, Video Poker, Slots}	\$576.3	\$572.9	\$636.7	\$684.4	\$704.0	\$731.5	\$754.1	\$836.6	\$872.2	\$826.9

STATE GAMING REVENUE - SOURCES AND USES

Legislative Fiscal Office

SHARE OF TOTAL GAMING REVENUE EACH ACTIVITY COMPRISES

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Lottery	19.4%	16.6%	15.9%	16.3%	15.4%	15.8%	14.9%	12.6%	14.7%	15.4%
Video Draw Poker	34.1%	24.9%	24.0%	23.8%	24.6%	23.9%	24.1%	25.3%	24.3%	24.0%
Riverboat Gaming	44.5%	46.4%	46.0%	49.2%	47.6%	46.2%	44.4%	47.7%	44.1%	42.5%
N. O. Land-Based Casino	0.6%	10.7%	12.8%	8.3%	8.4%	8.1%	9.1%	7.1%	9.5%	10.4%
Pari-Mutuel Racing	1.0%	1.1%	0.9%	0.9%	0.8%	0.8%	0.8%	0.6%	0.7%	0.8%
Charitable Gaming	0.2%	0.2%	0.1%	0.1%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
Slot Machines At Racetracks	0.0%	0.0%	0.0%	1.2%	2.9%	4.8%	6.3%	6.3%	6.3%	6.4%
Indian Gaming	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.1%	0.2%	0.2%
Total Available To The State	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
TOTAL GAMING REVENUE AVAILABLE COMPARED TO:										
<u>REVENUE ESTIMATING CONFERENCE TOTAL REVENUE</u>	\$6,792.6	\$7,242.0	\$8,063.7	\$7,968.3	\$7,903.7	\$8,314.8	\$9,219.5	\$10,027.9	\$11,689.9	\$11,200.0
Revenue Estimating Conference Total State Tax Revenue (REC revenue is taxes, licenses, and fees available for state general fund-direct appropriation plus numerous statutory dedications.)	8.5%	7.9%	7.9%	8.6%	8.9%	8.8%	8.2%	8.3%	7.5%	7.4%
TOTAL STATE EFFORT BUDGET										
State Funds Budget (w/o double counts and federal funds)	\$8,897.6	\$8,811.3	\$9,414.5	\$10,637.3	\$10,650.1	\$10,745.5	\$11,320.6	\$12,802.3	\$15,005.3	\$14,524.8
(Total state effort budget includes the state general fund-direct, statutorily dedicated, and self-generated revenue budgets of state government. Estimated double-counted funding has been removed.)	6.6%	6.6%	6.9%	6.5%	6.7%	6.9%	6.7%	6.6%	5.9%	5.8%
TOTAL STATE BUDGET										
Total State Budget (w/o double counts but w/ federal funds (Total state budget includes state and federal funds, but excludes double-counted amounts.)	\$13,488.7	\$13,106.1	\$14,128.4	\$16,575.4	\$16,998.5	\$17,389.5	\$17,662.8	\$20,968.9	\$26,967.0	\$34,288.0
	4.3%	4.4%	4.6%	4.2%	4.2%	4.3%	4.3%	4.0%	3.3%	2.4%

ESTIMATED TOTAL SPENDING ON LEGAL GAMING ACTIVITIES IN THE STATE

(spending by players = player losses = gaming operator revenue)

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Lottery Receipts Net Of Prize Expense	\$153.5	\$134.3	\$141.6	\$155.8	\$153.5	\$165.1	\$159.8	\$148.1	\$177.8	\$173.4
Video Poker Net Device Revenue	\$670.3	\$476.6	\$503.1	\$536.6	\$560.5	\$566.0	\$583.8	\$681.6	\$684.7	\$639.9
Riverboat Gross Gaming Revenue	\$1,381.5	\$1,426.3	\$1,545.9	\$1,635.3	\$1,592.9	\$1,566.7	\$1,567.2	\$1,838.1	\$1,780.6	\$1,625.9
N. O. Land-Based Gross Gaming Revenue	\$0.0	\$163.0	\$256.3	\$262.4	\$277.3	\$300.2	\$339.2	\$198.3	\$389.3	\$404.7
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	\$79.5	\$79.7	\$76.5	\$77.7	\$73.0	\$72.9	\$68.4	\$62.8	\$71.5	\$72.5
Charitable Proceeds Net Of Prize Expense	\$54.9	\$49.4	\$47.0	\$47.2	\$46.8	\$46.8	\$47.2	\$52.2	\$54.3	\$55.0
Racetrack Slot Gross Gaming Revenue	\$0.0	\$0.0	\$0.0	\$54.4	\$134.4	\$232.7	\$315.0	\$349.5	\$365.9	\$356.0
Indian Gross Gaming Revenue	\$347.7	\$433.8	\$456.6	\$438.8	\$434.2	\$440.4	\$386.4	\$398.9	\$485.0	\$437.8
Estimated Total Spending On Legal Gaming	\$2,687.5	\$2,763.1	\$3,027.1	\$3,208.1	\$3,272.5	\$3,390.7	\$3,466.9	\$3,729.6	\$4,009.1	\$3,765.1
annual growth	6.7%	2.8%	9.6%	6.0%	2.0%	3.6%	2.2%	7.6%	7.5%	-6.1%

The table above portrays spending by players engaged in each form of gaming on a comparable basis. Each estimate represents the amount of spending by players that is actually kept (or won) by gaming operators in an annual period, and is the operators gross revenue from which all business expenses are paid. Thus, each estimate is also the amount of losses that players incur in the aggregate each year, and is net of any rewagers. As such, the table is an estimate of the net economic flow of spending from players to gaming operators each year.

SHARE OF TOTAL GAMING SPENDING EACH ACTIVITY COMPRISES

Fiscal Year	1999	2000	2001	2002	2003	2004	2005	2006	2007	Projected 2008
Lottery Receipts Net Of Prize Expense	5.7%	4.9%	4.7%	4.9%	4.7%	4.9%	4.6%	4.0%	4.4%	4.6%
Video Poker Net Device Revenue	24.9%	17.2%	16.6%	16.7%	17.1%	16.7%	16.8%	18.3%	17.1%	17.0%
Riverboat Gross Gaming Revenue	51.4%	51.6%	51.1%	51.0%	48.7%	46.2%	45.2%	49.3%	44.4%	43.2%
N. O. Land-Based Gross Gaming Revenue	0.0%	5.9%	8.5%	8.2%	8.5%	8.9%	9.8%	5.3%	9.7%	10.7%
Pari-Mutuel Net Of Payouts (Assumed Takeout of 20%)	3.0%	2.9%	2.5%	2.4%	2.2%	2.1%	2.0%	1.7%	1.8%	1.9%
Charitable Proceeds Net Of Prize Expense	2.0%	1.8%	1.6%	1.5%	1.4%	1.4%	1.4%	1.4%	1.4%	1.5%
Racetrack Slot Gross Gaming Revenue	0.0%	0.0%	0.0%	1.7%	4.1%	6.9%	9.1%	9.4%	9.1%	9.5%
Indian Gross Gaming Revenue	12.9%	15.7%	15.1%	13.7%	13.3%	13.0%	11.1%	10.7%	12.1%	11.6%
Total Spending On Legal Gaming	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

SELECTED MAJOR STATE AID TO LOCAL GOVERNMENTS

		2008-09 Projected MFP Distribution	2008-09 Revenue Sharing	2008-09 Projected Supplemental Pay	2008-09 Projected Parish Transportation Fund	2008-09 Projected Parish Severance and Royalty Dists.	2008-09 Projected Video Poker Distribution	2008-09 Total of These Distributions
1	Acadia	\$48,062,614	\$1,258,249	\$950,417	\$614,044	\$966,655	\$1,671,812	\$53,523,791
2	Allen	\$26,434,543	\$537,577	\$279,608	\$382,346	\$1,109,487	\$0	\$28,743,561
3	Ascension	\$86,630,824	\$2,124,507	\$1,199,658	\$785,791	\$133,694	\$0	\$90,874,475
4	Assumption	\$25,775,418	\$491,309	\$250,126	\$275,113	\$1,586,930	\$348,681	\$28,727,577
5	Avoyelles	\$31,901,467	\$922,534	\$527,953	\$541,101	\$205,716	\$430,391	\$34,529,162
6	Beauregard	\$34,895,733	\$720,169	\$473,725	\$501,853	\$1,801,876	\$0	\$38,393,356
7	Bienville	\$8,590,196	\$320,837	\$206,330	\$321,527	\$1,558,255	\$0	\$10,997,145
8	Bossier	\$91,187,227	\$2,248,788	\$3,018,103	\$928,312	\$1,481,355	\$678,493	\$99,542,278
9	Caddo	\$215,902,242	\$5,130,478	\$7,962,794	\$1,560,900	\$1,408,391	\$2,251,872	\$234,216,677
10	Calcasieu	\$143,847,183	\$3,911,829	\$4,694,933	\$1,563,415	\$1,281,496	\$3,273,952	\$158,572,808
11	Caldwell	\$10,785,800	\$235,339	\$132,405	\$210,835	\$356,286	\$0	\$11,720,665
12	Cameron	\$6,704,889	\$178,603	\$273,546	\$168,802	\$9,978,273	\$33,325	\$17,337,439
13	Catahoula	\$10,445,338	\$239,000	\$228,367	\$202,594	\$401,969	\$0	\$11,517,268
14	Claiborne	\$15,710,052	\$351,038	\$145,804	\$313,347	\$1,342,166	\$0	\$17,862,408
15	Concordia	\$23,168,768	\$424,857	\$544,431	\$256,314	\$789,948	\$0	\$25,184,318
16	DeSoto	\$24,736,776	\$569,173	\$494,488	\$391,752	\$1,477,274	\$620,146	\$28,289,609
17	East Baton Rouge	\$221,231,562	\$8,763,797	\$10,472,417	\$2,359,980	\$1,284,112	\$0	\$244,111,867
18	East Carroll	\$8,995,973	\$164,263	\$113,278	\$168,663	\$3,473	\$65,521	\$9,511,171
19	East Feliciana	\$13,147,374	\$444,878	\$141,960	\$270,879	\$206,186	\$0	\$14,211,277
20	Evangeline	\$35,537,796	\$750,066	\$307,649	\$502,258	\$1,161,110	\$0	\$38,258,879
21	Franklin	\$17,701,687	\$450,659	\$399,980	\$326,893	\$92,121	\$0	\$18,971,341
22	Grant	\$21,162,115	\$427,831	\$194,643	\$322,133	\$727,475	\$0	\$22,834,197
23	Iberia	\$73,593,621	\$1,569,336	\$1,021,857	\$670,238	\$2,907,712	\$0	\$79,762,764
24	Iberville	\$15,649,114	\$678,108	\$694,419	\$383,968	\$1,136,494	\$1,157,343	\$19,699,446
25	Jackson	\$9,318,320	\$326,127	\$177,132	\$289,805	\$1,460,613	\$0	\$11,571,997
26	Jefferson	\$139,764,044	\$8,885,780	\$8,840,498	\$2,324,414	\$3,519,359	\$6,167,073	\$169,501,168
27	Jefferson Davis	\$34,494,239	\$649,375	\$365,340	\$450,654	\$1,004,789	\$462,278	\$37,426,676
28	Lafayette	\$113,998,657	\$4,347,213	\$4,327,342	\$1,539,240	\$949,044	\$0	\$125,161,496
29	Lafourche	\$70,115,236	\$1,973,387	\$1,560,284	\$836,848	\$8,018,995	\$2,762,049	\$85,266,798
30	LaSalle	\$14,888,103	\$316,086	\$241,157	\$264,198	\$1,312,293	\$0	\$17,021,837
31	Lincoln	\$30,539,805	\$870,470	\$678,420	\$553,678	\$1,170,339	\$0	\$33,812,712
32	Livingston	\$135,386,793	\$2,432,846	\$896,353	\$912,665	\$584,607	\$0	\$140,213,264
33	Madison	\$13,040,327	\$236,950	\$370,451	\$219,023	\$39,269	\$972,064	\$14,878,084
34	Morehouse	\$28,533,732	\$610,342	\$992,276	\$433,585	\$209,841	\$0	\$30,779,776
35	Natchitoches	\$35,374,335	\$818,250	\$812,141	\$585,292	\$501,514	\$0	\$38,091,532
36	Orleans	\$115,612,349	\$4,860,892	\$14,872,222	\$2,355,563	\$31,241	\$3,790,925	\$141,523,192
37	Ouachita	\$152,258,377	\$3,066,402	\$4,796,142	\$1,233,038	\$371,862	\$0	\$161,725,821
38	Plaquemines	\$12,347,386	\$433,688	\$500,853	\$340,397	\$28,268,743	\$457,879	\$42,348,946
39	Pointe Coupee	\$12,742,844	\$498,785	\$409,503	\$273,665	\$1,032,909	\$541,099	\$15,498,804
40	Rapides	\$118,692,396	\$2,745,350	\$4,117,331	\$1,135,712	\$1,128,776	\$0	\$127,819,565
41	Red River	\$10,322,742	\$196,659	\$143,166	\$175,934	\$368,560	\$365,965	\$11,573,026
42	Richland	\$20,612,769	\$428,520	\$423,957	\$221,138	\$28,207	\$0	\$21,814,591
43	Sabine	\$23,781,679	\$510,010	\$270,548	\$390,714	\$881,776	\$0	\$25,834,727
44	St. Bernard	\$16,509,909	\$622,251	\$1,515,789	\$593,746	\$3,924,702	\$1,093,068	\$24,259,466
45	St. Charles	\$30,425,104	\$1,061,364	\$1,187,503	\$511,049	\$946,599	\$806,111	\$34,937,730
46	St. Helena	\$7,582,458	\$228,112	\$130,744	\$188,033	\$707,017	\$1,980,876	\$10,817,240
47	St. James	\$18,119,674	\$462,758	\$367,852	\$240,386	\$325,491	\$1,322,656	\$20,838,817
48	St. John	\$33,868,193	\$984,437	\$783,574	\$513,423	\$125,824	\$1,262,424	\$37,537,875
49	St. Landry	\$79,553,943	\$1,855,767	\$1,399,871	\$888,341	\$1,081,031	\$1,414,970	\$86,193,923
50	St. Martin	\$45,418,357	\$1,094,198	\$721,746	\$543,086	\$974,214	\$3,362,988	\$52,114,588
51	St. Mary	\$47,931,234	\$1,082,843	\$1,341,779	\$466,606	\$5,117,392	\$1,186,757	\$57,126,611
52	St. Tammany	\$175,964,634	\$4,958,298	\$4,119,989	\$1,638,997	\$123,684	\$0	\$186,805,602
53	Tangipahoa	\$99,845,660	\$2,342,645	\$1,568,878	\$950,723	\$234,182	\$0	\$104,942,088
54	Tensas	\$4,699,974	\$126,002	\$87,041	\$119,223	\$444,271	\$95,008	\$5,571,519
55	Terrebonne	\$86,084,262	\$2,244,826	\$1,902,764	\$894,101	\$9,557,639	\$3,501,687	\$104,185,280
56	Union	\$15,516,125	\$480,544	\$259,605	\$240,124	\$661,254	\$0	\$17,337,652
57	Vermilion	\$40,299,019	\$1,179,455	\$815,631	\$583,988	\$6,484,023	\$0	\$49,362,116
58	Vernon	\$53,721,098	\$972,570	\$490,745	\$574,488	\$1,453,105	\$0	\$57,212,006
59	Washington	\$47,754,682	\$955,977	\$723,983	\$636,789	\$210,109	\$0	\$50,281,539
60	Webster	\$39,459,112	\$889,345	\$649,864	\$550,067	\$1,135,154	\$1,203,402	\$43,886,944
61	West Baton Rouge	\$13,691,062	\$466,556	\$637,839	\$249,094	\$381,640	\$2,583,131	\$18,009,321
62	West Carroll	\$13,468,454	\$248,828	\$98,598	\$234,979	\$8,387	\$0	\$14,059,247
63	West Feliciana	\$11,399,560	\$290,497	\$275,568	\$240,524	\$115,025	\$336,052	\$12,657,226
64	Winn	\$15,711,264	\$332,373	\$225,629	\$303,612	\$1,208,069	\$0	\$17,780,947
	TOTAL	\$3,200,646,223	\$90,000,000	\$98,829,000	\$40,000,000	\$119,500,000	\$46,199,998	\$3,595,175,224

Notes:

1) The 2008-2009 MFP Initial Distribution (prior to audit adjustments) is generated based on estimated student counts and local school system tax revenues. The funds distributed to school systems will be based on the 2/1/08 student counts and the previous year's local tax revenues. Funds for the school systems of the City of Monroe and the City of Bogalusa are contained in the amounts for the parishes of Ouachita and Washington respectively. Funds for the school systems of the City of Baker, Central Community and the Zachary Community are contained in the amount for East Baton Rouge Parish. Funds for the Recovery School District are contained in the amount for Orleans Parish, East Baton Rouge Parish, and Pointe Coupee Parish.

2) Revenue Sharing distribution to each parish and the city of New Orleans is allocated in Section 12 of Act 846 (HB 1288) of the 2008 Regular Session.

3) Supplemental Pay is an estimation of how much money each parish will receive in supplemental law enforcement pay. The actual amount of funding each parish receives may be different than what is reflected in this table because this is an approximation based on the previous year. The total per month payment is \$425 per month, while the payment is \$100 per month to Constables. Act 664 of the 2008 Regular Session authorizes the per month supplement to increase by \$75 up to \$500 per month. However, the increase is not effective until 7/1/09 (FY 10).

4) The projected Parish Transportation Fund distribution of \$40M in Transportation Trust Funds for FY 09 is based upon the estimated FY08 distribution as reported by the State Treasurer. The Mass Transit Program is funded at \$4,962,500. Off-System Roads and Bridges Match Program is funded at \$3M. A SGF appropriation of \$150,000 is provided for supplemental funding to the St. Bernard Parish mass transit system.

5) Parish severance, royalty, and video poker distributions are based on state level estimates of the aggregate amount of severance, royalty, and video poker receipts available for distribution to locals that are allocated to each parish based on the prior year's share of these monies distributed to each parish by the state Treasury.

Capital Outlay Appropriation By Parish

Act 29 of 2008

	SGF	IAT	SGR	St. Ded.	Reappro. Cash	Federal	Revenue Bonds	CASH PORTION	Priorit y 1	Priorit y 2	Priority 3	Priority 4	Priority 5	TOTAL GO BONDS	Bonds NRP/RBP	TOTAL
Acadia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,090,000	\$1,180,000	\$0	\$0	\$9,650,000	\$18,920,000	\$0	\$18,920,000
Allen	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,615,000	\$0	\$0	\$0	\$500,000	\$4,115,000	\$0	\$4,115,000
Ascension	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$550,000	\$200,000	\$0	\$0	\$0	\$750,000	\$0	\$750,000
Assumption	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,345,000	\$0	\$0	\$0	\$0	\$1,345,000	\$0	\$1,345,000
Avoyelles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,180,000	\$250,000	\$0	\$0	\$1,830,000	\$7,260,000	\$0	\$7,260,000
Beauregard	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$670,000	\$25,000	\$0	\$0	\$500,000	\$1,195,000	\$0	\$1,195,000
Bienville	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$720,000	\$200,000	\$0	\$0	\$2,900,000	\$3,820,000	\$0	\$3,820,000
Bossier	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,500,000	\$300,000	\$0	\$0	\$4,890,000	\$13,690,000	\$0	\$13,690,000
Caddo	\$0	\$0	\$0	\$0	\$20,000	\$0	\$50,280,000	\$50,300,000	\$45,470,000	\$450,000	\$0	\$0	\$2,760,000	\$48,680,000	\$0	\$98,980,000
Calcasieu	\$0	\$0	\$0	\$0	\$345,000	\$0	\$0	\$345,000	\$47,770,000	\$650,000	\$0	\$0	\$29,220,000	\$77,640,000	\$0	\$77,985,000
Caldwell	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,350,000	\$90,000	\$0	\$0	\$1,100,000	\$3,540,000	\$0	\$3,540,000
Cameron	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$50,000	\$0	\$0	\$4,500,000	\$5,050,000	\$0	\$5,050,000
Catahoula	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,210,000	\$0	\$0	\$0	\$665,000	\$1,875,000	\$0	\$1,875,000
Claiborne	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,110,000	\$0	\$0	\$0	\$11,000,000	\$19,110,000	\$0	\$19,110,000
Concordia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,460,000	\$100,000	\$0	\$0	\$2,500,000	\$8,060,000	\$0	\$8,060,000
DeSoto	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$770,000	\$240,000	\$0	\$0	\$0	\$1,010,000	\$0	\$1,010,000
E. Carroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,390,000	\$55,000	\$0	\$0	\$400,000	\$4,845,000	\$0	\$4,845,000
E. Feliciana	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$14,180,000	\$1,000,000	\$0	\$0	\$5,275,000	\$20,455,000	\$0	\$20,455,000
EBR	\$0	\$0	\$16,705,000	\$2,500,000	\$0	\$260,000	\$357,900,000	\$377,365,000	\$112,955,000	\$17,485,000	\$0	\$0	\$131,660,000	\$262,100,000	\$0	\$639,465,000
Evangeline	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,085,000	\$0	\$0	\$0	\$0	\$3,085,000	\$0	\$3,085,000
Franklin	\$0	\$0	\$50,000	\$0	\$0	\$0	\$0	\$50,000	\$1,360,000	\$0	\$0	\$0	\$1,000,000	\$2,360,000	\$0	\$2,410,000
Grant	\$0	\$0	\$3,700,000	\$0	\$0	\$0	\$0	\$3,700,000	\$1,425,000	\$0	\$0	\$0	\$0	\$1,425,000	\$0	\$5,125,000
Iberia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,625,000	\$1,190,000	\$0	\$0	\$4,315,000	\$14,130,000	\$0	\$14,130,000
Iberville	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,545,000	\$500,000	\$0	\$0	\$385,000	\$3,430,000	\$0	\$3,430,000
Jackson	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$700,000	\$0	\$0	\$0	\$700,000	\$0	\$700,000
Jefferson	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$84,480,000	\$4,255,000	\$0	\$0	\$59,755,000	\$148,490,000	\$0	\$148,490,000
Jefferson Davis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$45,000	\$0	\$0	\$0	\$0	\$45,000	\$0	\$45,000
Lafayette	\$0	\$0	\$3,546,400	\$0	\$520,000	\$0	\$40,510,400	\$44,576,800	\$27,025,000	\$125,000	\$0	\$0	\$30,655,000	\$57,805,000	\$0	\$102,381,800
Lafourche	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,755,000	\$575,000	\$0	\$0	\$3,155,000	\$20,485,000	\$0	\$20,485,000
LaSalle	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100,000	\$0	\$0	\$0	\$0	\$100,000	\$0	\$100,000
Lincoln	\$0	\$0	\$0	\$0	\$405,000	\$0	\$0	\$405,000	\$26,975,000	\$400,000	\$0	\$0	\$16,285,000	\$43,660,000	\$0	\$44,065,000
Livingston	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,345,000	\$265,000	\$0	\$0	\$1,000,000	\$8,610,000	\$105,000	\$8,715,000
Madison	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,005,000	\$20,000	\$0	\$0	\$735,000	\$2,760,000	\$0	\$2,760,000
Morehouse	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,770,000	\$75,000	\$0	\$0	\$1,300,000	\$4,145,000	\$0	\$4,145,000
Multi	\$0	\$0	\$3,021,000	\$30,000,000	\$0	\$2,456,000	\$0	\$35,477,000	\$125,460,000	\$100,000	\$0	\$0	\$162,775,000	\$288,335,000	\$0	\$323,812,000
Natchitoches	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30,925,000	\$300,000	\$0	\$0	\$17,050,000	\$48,275,000	\$0	\$48,275,000
Orleans	\$0	\$0	\$26,953,264	\$0	\$0	\$3,030,000	\$900,000,000	\$929,983,264	\$185,065,000	\$3,825,000	\$0	\$0	\$312,400,000	\$501,290,000	\$0	\$1,431,273,264
Ouachita	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$12,135,000	\$8,125,000	\$0	\$0	\$6,125,000	\$26,385,000	\$0	\$26,385,000
Plaquemines	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,405,000	\$2,885,000	\$0	\$0	\$0	\$4,290,000	\$0	\$4,290,000
Pointe Coupee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,280,000	\$300,000	\$0	\$0	\$2,770,000	\$4,350,000	\$0	\$4,350,000
Rapides	\$0	\$0	\$0	\$0	\$0	\$0	\$226,200,000	\$226,200,000	\$29,245,000	\$2,020,000	\$0	\$0	\$17,620,000	\$48,885,000	\$1,760,000	\$276,845,000
Red River	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,090,000	\$0	\$0	\$0	\$0	\$8,090,000	\$0	\$8,090,000
Richland	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,520,000	\$210,000	\$0	\$0	\$200,000	\$2,930,000	\$0	\$2,930,000
Sabine	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,210,000	\$145,000	\$0	\$0	\$1,315,000	\$7,670,000	\$0	\$7,670,000
St. Bernard	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,320,000	\$100,000	\$0	\$0	\$16,700,000	\$19,120,000	\$0	\$19,120,000
St. Charles	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,720,000	\$175,000	\$0	\$0	\$0	\$3,895,000	\$0	\$3,895,000
St. Helena	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,000,000	\$0	\$0	\$0	\$400,000	\$1,400,000	\$0	\$1,400,000
St. James	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$800,000	\$0	\$0	\$0	\$4,200,000	\$5,000,000	\$0	\$5,000,000
St. John	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$22,545,000	\$100,000	\$0	\$0	\$6,300,000	\$28,945,000	\$960,000	\$29,905,000
St. Landry	\$0	\$0	\$0	\$250,000	\$0	\$0	\$0	\$250,000	\$320,000	\$320,000	\$0	\$0	\$0	\$640,000	\$0	\$890,000
St. Martin	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,980,000	\$365,000	\$0	\$0	\$8,200,000	\$13,545,000	\$0	\$13,545,000
St. Mary	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,405,000	\$250,000	\$0	\$0	\$6,350,000	\$18,005,000	\$0	\$18,005,000
St. Tammany	\$0	\$0	\$0	\$0	\$10,000	\$0	\$13,000,000	\$13,010,000	\$18,980,000	\$565,000	\$0	\$0	\$2,800,000	\$22,345,000	\$0	\$35,355,000
Statewide	\$10,000,000	\$31,532,840	\$25,250,000	\$823,048,873	\$889,574	\$8,000,000	\$0	\$898,721,287	\$187,665,000	\$4,700,000	\$0	\$0	\$103,225,000	\$295,590,000	\$3,499,103	\$1,197,810,390
Tangipahoa	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,060,000	\$170,000	\$0	\$0	\$8,165,000	\$18,395,000	\$0	\$18,395,000
Tensas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$435,000	\$40,000	\$0	\$0	\$0	\$475,000	\$0	\$475,000
Terrebonne	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,320,000	\$500,000	\$0	\$0	\$4,000,000	\$21,820,000	\$0	\$21,820,000
Union	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,310,000	\$50,000	\$0	\$0	\$1,900,000	\$4,260,000	\$0	\$4,260,000
Vermilion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$13,380,000	\$500,000	\$0	\$0	\$4,255,000	\$18,135,000	\$0	\$18,135,000
Vernon	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,130,000	\$375,000	\$0	\$0	\$2,565,000	\$7,070,000	\$0	\$7,070,000
W. Carroll	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$890,000	\$200,000	\$0	\$0	\$0	\$1,090,000	\$0	\$1,090,000
W. Feliciana	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,195,000	\$0	\$0	\$0	\$2,995,000	\$4,190,000	\$0	\$4,190,000
Washington	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,305,000	\$550,000	\$0	\$0	\$0	\$25,855,000	\$0	\$25,855,000
WBR	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500,000	\$70,000	\$0	\$0	\$1,900,000	\$2,470,000	\$0	\$2,470,000
Webster	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,545,000	\$175,000	\$0	\$0	\$4,450,000	\$12,170,000	\$339,420	\$12,509,420
Winn	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,370,000	\$300,000	\$0	\$0	\$1,800,000	\$5,470,000	\$0	\$5,470,000
Total	\$10,000,000	\$31,532,840	\$79,225,664	\$855,798,873	\$2,189,574	\$13,746,000	\$1,587,890,400	\$2,580,383,351	\$1,198,885,000	\$57,795,000	\$0	\$0	\$1,028,395,000	\$2,285,075,000	\$6,663,523	\$4,872,121,874

Total State Spending Without Double Counting of Expenditures

	<u>FY 94</u> <u>Actual*</u>	<u>FY 95</u> <u>Actual*</u>	<u>FY 96</u> <u>Actual*</u>	<u>FY 97</u> <u>Actual*</u>	<u>FY 98</u> <u>Actual*</u>	<u>FY 99</u> <u>Actual*</u>	<u>FY 00</u> <u>Actual*</u>	<u>FY 01</u> <u>Actual*</u>
State General Fund	\$4,389,375,637	\$4,728,548,124	\$5,089,695,956	\$5,837,910,286	\$5,770,726,249	\$5,818,159,735	\$5,811,328,419	\$6,279,796,406
Self Generated Revenue	\$803,841,663	\$879,679,517	\$883,206,871	\$892,029,972	\$873,853,784	\$880,018,178	\$907,226,026	\$1,131,863,636
Statutory Dedication	\$1,471,241,071	\$1,551,835,267	\$1,484,128,479	\$1,507,668,942	\$1,659,659,471	\$1,847,283,483	\$2,120,666,811	\$1,998,560,099
Interim Emergency Bd.	<u>\$3,312,436</u>	<u>\$2,121,262</u>	<u>\$3,662,910</u>	<u>\$4,442,738</u>	<u>\$4,547,493</u>	<u>\$4,488,327</u>	<u>\$2,092,944</u>	<u>\$4,287,912</u>
Total State Funds	\$6,667,770,807	\$7,162,184,170	\$7,460,694,216	\$8,242,051,938	\$8,308,786,997	\$8,549,949,723	\$8,841,314,200	\$9,414,508,053
% Chg	4.1%	7.4%	4.2%	10.5%	0.8%	2.9%	3.4%	6.5%
% of Gross State Product	7.3%	7.3%	7.2%	7.5%	7.2%	7.1%	6.9%	7.1%
Federal	<u>\$4,910,055,802</u>	<u>\$4,733,335,968</u>	<u>\$4,209,233,704</u>	<u>\$4,260,178,608</u>	<u>\$4,119,519,133</u>	<u>\$4,204,178,286</u>	<u>\$4,294,795,289</u>	<u>\$4,713,910,763</u>
% Chg	13.6%	-3.6%	-11.1%	1.2%	-3.3%	2.1%	2.2%	9.8%
Total Budget	\$11,577,826,609	\$11,895,520,138	\$11,669,927,920	\$12,502,230,546	\$12,428,306,130	\$12,754,128,009	\$13,136,109,489	\$14,128,418,816
% Chg	7.9%	2.7%	-1.9%	7.1%	-0.6%	2.6%	3.0%	7.6%
Classified Employees	44,921	45,098	55,372	55,407	55,852	56,007	56,662	44,591
Unclassified Employees	<u>2,822</u>	<u>2,725</u>	<u>2,960</u>	<u>2,941</u>	<u>2,924</u>	<u>2,195</u>	<u>2,300</u>	<u>2,852</u>
Total Employees	47,743	47,823	58,332	58,348	58,776	58,202	58,962	47,443
% Chg	1.7%	0.2%	22.0%	0.0%	0.7%	-1.0%	1.3%	-19.5%

	<u>FY 02</u> <u>Actual*</u>	<u>FY 03</u> <u>Actual*</u>	<u>FY 04</u> <u>Actual*</u>	<u>FY 05</u> <u>Actual*</u>	<u>FY 06</u> <u>Actual*</u>	<u>FY 07</u> <u>Actual*</u>	<u>FY 08</u> <u>Budgeted **</u>	<u>FY 09</u> <u>Appropriated</u>
State General Fund	\$6,484,124,015	\$6,593,839,128	\$6,536,768,945	\$7,179,361,987	7,750,084,805	9,327,485,627	\$10,492,762,827	\$9,700,318,469
Self Generated Revenue	\$1,063,917,530	\$1,060,771,306	\$1,279,607,742	\$1,213,971,213	1,231,231,644	1,344,780,376	\$1,392,491,488	\$1,380,661,543
Statutory Dedication	\$2,582,272,904	\$2,568,809,921	\$2,499,947,780	\$2,924,513,351	\$2,966,045,493	\$4,244,609,938	\$4,697,345,692	\$3,612,979,012
Interim Emergency Bd.	<u>\$4,764,095</u>	<u>\$5,091,801</u>	<u>\$1,855,193</u>	<u>\$2,785,111</u>	<u>\$3,368,411</u>	<u>\$973,121</u>	<u>\$1,494,667</u>	<u>\$0</u>
Total State Funds	\$10,135,078,544	\$10,228,512,156	\$10,318,179,660	\$11,320,631,662	\$11,950,730,353	\$14,917,849,062	\$16,584,094,674	\$14,693,959,024
% Chg	7.7%	0.9%	0.9%	9.7%	5.6%	24.8%	11.2%	-11.4%
% of Gross State Product	7.6%	7.4%	6.7%	6.6%	6.4%	8.1%	9.3%	7.9%
Federal	<u>\$5,421,770,845</u>	<u>\$5,812,966,128</u>	<u>\$6,213,400,921</u>	<u>\$6,342,171,627</u>	<u>\$8,166,550,887</u>	<u>\$11,151,125,271</u>	<u>\$19,758,702,700</u>	<u>\$14,990,876,683</u>
% Chg	15.0%	7.2%	6.9%	2.1%	28.8%	36.5%	77.2%	-24.1%
Total Budget	\$15,556,849,389	\$16,041,478,284	\$16,531,580,581	\$17,662,803,289	\$20,117,281,240	\$26,068,974,333	\$36,342,797,374	\$29,684,835,707
% Chg	10.1%	3.1%	3.1%	6.8%	13.9%	29.6%	39.4%	-18.3%
Classified Employees	43,983	44,460	42,268	43,507	42,888	40,881	43,712	42,564
Unclassified Employees	<u>2,751</u>	<u>3,068</u>	<u>3,015</u>	<u>2,302</u>	<u>2,973</u>	<u>2,921</u>	<u>3,201</u>	<u>3,315</u>
Total Employees	46,734	47,528	45,283	45,809	45,861	43,802	46,913	45,879
% Chg	-1.5%	1.7%	-4.7%	1.2%	0.1%	-4.5%	7.1%	-2.2%

* Executive Budget Yellow Pages

** As of 12/1/07

Note: Reflects total state spending and avoids double counting of expenditures (primarily Ancillary Bill SGR, IEB Appropriations, Interagency Transfers, etc.).

FY 94 to FY 96 Governor Edwards; FY 97 to FY 04 Governor Foster; FY 05 to FY 08 Governor Blanco; FY 09 to present Governor Jindal.

FY 01 forward does not include positions and expenditures of the LSU Health Care Services Division that have been moved "off-budget".

**ITEMS EXCLUDED AS DOUBLE COUNTED
FY 07 - FY 09**

	SGF	SGR	Stat Ded	IEB	Fed	Total
FY 07 ACTUAL Total	\$9,327,485,627	\$2,389,805,108	\$4,345,182,203	\$4,664,805	\$11,151,125,271	\$27,218,263,014
Ancillary Bill		(\$1,044,674,732)				(\$1,044,674,732)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
LA Public Defender Fund (01-116)						\$0
DNA Testing Post-Conviction Relief for Indigents Fund (01-100)			(\$30,000)			(\$30,000)
LA GO Zone (21-862)			(\$100,000,000)			(\$100,000,000)
Compulsive Gambling			(\$500,000)			(\$500,000)
IEB			(\$42,265)			(\$42,265)
IEB Appropriations				(\$3,691,684)		(\$3,691,684)
Total	\$9,327,485,627	\$1,344,780,376	\$4,244,609,938	\$973,121	\$11,151,125,271	\$26,068,974,333
FY 08 BUDGETED Total	\$10,492,762,827	\$2,847,356,609	\$4,727,152,821	\$8,596,876	\$19,758,702,700	\$37,834,571,833
Ancillary Bill		(\$1,444,260,668)				(\$1,444,260,668)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
Legislative Auditor Fees		(\$10,254,453)				(\$10,254,453)
LA Public Defender Fund (01-116)			(\$28,101,238)			(\$28,101,238)
Indigent Parent Representation Program Fund (01-116)			(\$514,005)			(\$514,005)
Indigent Patient Representation Program Fund (01-103)			(\$250,000)			(\$250,000)
Tobacco Settlement Enforcement Fund			(\$400,000)			(\$400,000)
Compulsive Gambling			(\$500,000)			(\$500,000)
IEB			(\$41,886)			(\$41,886)
IEB Appropriations				(\$7,102,209)		(\$7,102,209)
Total	\$10,492,762,827	\$1,392,491,488	\$4,697,345,692	\$1,494,667	\$19,758,702,700	\$36,342,797,374
FY 09 APPROPRIATED Total	\$9,707,221,028	\$2,827,009,871	\$3,652,092,138	\$0	\$14,990,876,683	\$31,177,199,720
Ancillary Bill		(\$1,434,355,003)				(\$1,434,355,003)
Legislative Ancillary Enterprise Fund		(\$350,000)				(\$350,000)
Legislative Auditor Fees		(\$11,643,325)				(\$11,643,325)
LA Public Defender Fund (01-116)			(\$28,860,570)			(\$28,860,570)
Indigent Parent Representation Program Fund (01-116)			(\$514,005)			(\$514,005)
Indigent Patient Representation Program Fund (01-103)			(\$250,000)			(\$250,000)
LA Interoperability Communications Fund (01-111)			(\$9,417,482)			(\$9,417,482)
DNA Testing Post-Conviction Relief for Indigents Fund (01-100)			(\$30,000)			(\$30,000)
IEB			(\$41,069)			(\$41,069)
Total	\$9,707,221,028	\$1,380,661,543	\$3,612,979,012	\$0	\$14,990,876,683	\$29,691,738,266

Notes:

FY 08 - DNA Testing Post-Conviction Relief for Indigents Fund was not considered a double count in FY 08 since it was appropriated directly to the agency.

FY 09 - Tobacco Settlement Enforcement Fund and Compulsive Gambling were not considered a double count in FY 09 since they were appropriated directly to the agency.